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MACLEAN'S

MAY 11th 2009

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SIX IN 10 Canadians couldn't pass a mock citizenship test; newcomers scored much higher

Our weak identity isn't an immigrant problem

In an interview in last week's magazine, Jason Kenney, minister of citizenship, immigration and multiculturalism, ably defended his plans to strengthen the bonds of citizenship in Canada by encouraging immigrants to learn more of the history, values, and languages of our country.

Kenney, one of the bolder members of the Harper cabinet, objects to the notion of Canada as a hotel where people come and go with no abiding commitment to understanding and participating in our national life. He would add some rigour to our citizenship test, dump multicultural programs that subsidize cultural separateness, enhance the employability of newcomers through quicker recognition of foreign credentials.

Little to quarrel with there. The problem with Kenney's initiative isn't its substance but its limited application. The "massive civic illiteracy" Kenney identifies is just that massive. It is a general problem, not an immigrant problem, and trying to address it through immigration policy risks turning a mostly worthwhile program into an adventure in scapegoating the newcomers.

How massive is our civic illiteracy?

For starters, Canadians can't be bothered to vote. The last election recorded the lowest voter turnout in our history.

Nor do we understand how our government works. The various parliamentary and constitutional issues raised by the Dion coalition last December caused mass confusion, with many Canadians mistaking normal political gamesmanship for an attempted coup.

What's more, six in 10 Canadians who answered a Dominion Institute survey in 2007 were incapable of passing a mock examination that mirrored the citizenship test—basic questions of Canadian history, politics, culture and geography. The funny thing about that survey was that when the same questions were asked of immigrants, only 30 per cent failed.

(Another Dominion Institute poll on the defining symbols of Canada found that immigrants and the general population both ranked the maple leaf and hockey as first and second. It was Order of Canada recipients who in the same survey put Frederick Banting and Old Quebec City on top, with hockey in 20th place, below even the Canadarm.)

As for the erosion of Canadian values, it has been mostly an inside job. Take, for instance, our fundamental freedoms of religion and speech. Legislators, social scientists and the courts have been hacking away at these for decades now. We're at a point where speaking one's faith, laughing at religious pomposity, and challenging the political implications of a belief system can land one before the authorities (and those same authorities can bring life-altering sanctions without regard to traditional rules of evidence and due process). Immigrants didn't accomplish all that.

Kenney knows as well as anyone the fragility of our "fundamental" values. He has been a stalwart and often lonely champion of human and democratic rights and religious freedoms both domestically and internationally. He was one of the few Canadian politicians to denounce the excesses of our human rights commissions, as well as incitements to hatred and violence recorded at political protests in Canada.

But Kenney doesn't run his government, only the Immigration Department, and so his initiatives apply only to new Canadians. He will rewrite the citizenship test and subsidize language lessons and in doing so help immigrants—who are already good Canadians—become better Canadians. If he's lucky that will produce a slight increase in the average level of civic literacy across the land.

But his initiatives will do next to nothing to strengthen support for our political institutions, the rule of law, and basic freedoms. No matter how much pressure we apply on new Canadians to integrate, there will still be old Canadians eager to rend the fabric of our citizenship in misguided efforts at tolerance and accommodation (like Ontario's aborted attempt to introduce elements of sharia into its legal system).

As for Kenney's further hope that his reforms will combat radicalization and violence at the margins of specific immigrant communities—good luck. Many of the infamous Toronto 18 terror suspects were Canadian-born, and almost all were products of our public school system who were otherwise well integrated into Canadian life. By all means, stop terror suspects at the border, but beyond that extremism is better fought with criminal and security measures than with flag waving and language training.

The best outcome for Canada would be for the rest of the Harper government and the opposition to join Kenney's campaign for more civic engagement and a stauncher citizenship, applying it to new and old Canadians alike. Without that broader engagement, Kenney's otherwise unobjectionable initiative encourages the notion that our weak national identity and our crumbling values are immigration problems. As the minister himself attests, they are Canadian problems. M

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BLOGS



AARON WHERRY
Now the PM was com- pelled to match him and he came up looking cross- indeed not since his government faced imminent demise last December has Mr. Harper looked so furious
macleans.ca/wherry



JAIME WEINMAN
It will be interesting to see if there are any successes among the upcoming comedies about people who are laid off lose all their money move back in with their parents, etc."
macleans.ca/weinman

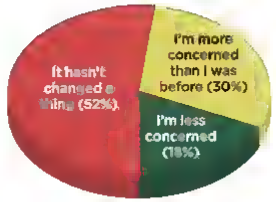
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OPENING WEEKEND



Film critic Brian D. Johnson reviews *X-Men Origins: Wolverine* and provides a sneak peek of the best Hot Docs has to offer this year macleans.ca/johnson

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'A memo to Michael Ignatieff: using words like "definitional" will lose you the election'

ENVIRO DEBATE HEATS UP

SCIENTIST DAVID KEITH'S big idea ("Plan B for global warming," Environment, April 27) is to mimic the effect of volcanic eruptions like the 18 million tonnes of sulfur dioxide spewed forth by Mount Pinatubo in 1991. Isn't that like fighting global warming by generating more pollution? Can he please explain how volcanic eruptions, which have zero economic benefit, are preferable to man-made pollutants, which at least give the valuable side effect of jobs and taxable economic growth? Am I the only reader who finds his proposed man made recreation of volcanic eruptions to be the dumbest solution yet for climate change? Please tell us he's not getting government funding for that ridiculous brain fart.
Dave Sanderson, Barrie, Ont

ALBERT EINSTEIN ONCE said, "God does not play dice with the world." Looking at the cover of your April 27 edition, it might be assumed that He does bowl with it!
Bill MacLean, Toronto

PLAN 8 FOR global warming may be the perfect epitome of human folly. Scientists ignore low tech solutions and the need to engage society to instead propose the surreptitious allocation of unconstitutional power and the spending of trillions of dollars on endless megaprojects that won't work but will cause horrendous collateral damage. We need to reduce our CO_2 emissions. Period.
Andrew McCammon, Toronto

AS THE COMPETITION escalated between ever more dire predictions about future climate heating due to carbon-containing gas emissions, and as geoengineering proposals such as those reported in your article began to be widely accepted as possible responses, many scientists who are not astronomers or meteorologists decided to test the Intergovernmental Panel on Climate Change (IPCC) claims about scientific consensus. We found opposition to the IPCC's claim that recent climate warming has been caused by human activity. Since the middle of the last millennium there has been gradual warming of about 0.5 degrees per century with approximately 30 year warmings and coolings around that increasing trend. The IPCC's model extrapolation of the most recent warming period, which began around 1970, produced predictions of at least a three-degree increase during the next century. The models do not accommodate observations of periodic cooling. Our abrogation of responsibility for climate science and mitigation policy to the IPCC appears to have been unwise. Gradual climate warming is a natural phenomenon and we will have to learn to adapt to it.
Peter Salonius, Durham Bridge, N.B.

YOUR ISSUE ON global warming brings up some interesting discussions. If evolution is scientifically proven, then let it go: the world is evolving, we're probably onto something bigger and better—isn't that how it goes in the world of evolution? What if a huge change is happening, like when fish crawled out of the water, and started acting like men? We weren't here billions and billions of years ago, we're only here for at the very most 100 years, which is nothing. So don't sweat it. Enjoy yourself. You're not even a blip on the screen. Why do evolutionists fight their own religion? Follow your belief system to its ultimate conclusion and be consistent.
Joanne Barendregt, Grande Prairie, Alta.



LIKE DR. STRANGELOVE, I have learned to stop worrying and accept the inevitable when it comes to climate change. With overpopulation and eco excess, our tiny refuge of a planet is being inexorably exhausted. And like dealing with a fatal diagnosis, this realization has evolved from denial and anger to ultimate acceptance. The earth's demise will not happen in my lifetime (I'm 76), and nor in our grandchildren's lifetime, but it will happen. We simply do not have the global courage to effect adequate change. So stop all the angst and be good to one another while you can.
Kenneth Collier, Portage la Prairie, Man.

THERE IS A LOT OF fear, hype, and erroneous claims of consensus amongst the scientific community. The University of Calgary's David Keith has one thing correct for sure: his personal identification with Don Quixote. The fictional Quixote was a pathetic figure who was ignored by his fellow citizens. I suggest we do the same with our present day lancers flailing away at imaginary foes.
Russ Babcock, Genelle, B.C.

THERE IS A MUCH SAFER Plan B that will have no possibly disastrous effects on Mother Earth. It's a shift towards a vegetarian diet. The United Nations' report "Livestock's Long Shadow" revealed that the animals for food industry generates more greenhouse gas equivalents than all the cars, trucks and air planes in the world combined. If we really want to get serious about climate change, going vegetarian—or at least eating more plant based meals—will have an immediate, profound and beneficial effect on our planet.
Michael Hayward, Toronto

IGGY'S SPLIT VOTE

THE LAST PARAGRAPH of your excerpt from Michael Ignatieff's latest book, *True Patriot Love*, is stunning ("Nation in progress," Newsmaker, April 27), perhaps the clearest definition of the Canadian identity ever written. It could only have been written by a Canadian who had not spent his entire life at home, but rather had spent enough years in other parts of the world—many of them troubled, and some of them violent—to see first-hand the results of blind, unbridled nationalism. I believe Michael Ignatieff came home to take up politics to help make sure we continue to succeed. If we do, we become the model for all nations challenged by a shrinking planet.
M.J. Decker, Lake Country, B.C.

YET ANOTHER three-page interview with Liberal leader Michael Ignatieff (Interview, April 27). Didn't I read another one of these about three months ago in your magazine? That was followed by a four-page excerpt from his book. Furthermore, I don't think a week goes by where a Paul Wells column doesn't reveal how Stephen Harper is leading us down the road to perdition. I think it's pretty clear who *Maclean's* will be cheering for in the next election. Memo to Michael: words like "definitional" will lose you the election.
Paul Brazeau, Ottawa

THE SKINNY LADY SINGS

IT IS UNFORTUNATE that someone as smart and relevant as Susie Orbach (Interview, April 27) would allow herself to make the statement that great operatic voices "don't come out of small frames." Orbach is clearly uninformed about the world of opera, and buying into stereotypes lessens her credibility. Excellent opera singers, as in all other vocation and professions in the world, come in different shapes and sizes. The remark, other than being false, is offensive and insensitive to the excellent pool of small-framed singers of the world. In case she is not familiar with them, perhaps she should look up Isabel Bayrakdarian, Natalie Dessay, Renée Fleming, Anna Netrebko, Kiri Te Kanawa, Anne Sofie von Otter and Frederica von Stade.
Sophie Bisson, Toronto

TAMILS IN, HAMAS OUT

ANDREW POTTER is confused ("Tamil protesters, yes. George Galloway? Keep out," Opinion, April 27). He uses free speech as the basis both for supporting Canadian Tamils' right to protest in Canada, and for criticizing the government's refusal to admit Hamas supporter George Galloway. Right on point one, wrong on point two: whether to admit anyone into our country is not a free speech issue—not at all, not ever.
Bill Smyth, Hamilton, Ont.

ST. JOHN'S ENGLISH?

I WAS VERY INTERESTED in reading the article about the life of a fellow Newfoundlander, Mary Conception McCarthy Gomez Cueto (The End, April 27), who had taken up residence in other areas of the world, as many other Newfoundlanders have. As saddened as I was about her plight, I didn't know whether I should laugh or be enraged by the term used in the article to describe language. What in heaven's name is "St. John's English?" Even though Newfoundlanders may have a special culture and very amusing sayings, I can't ever remember hearing that term. I feel the implication is not positive.
Ann Bell, Welland, Ont.

DON'T FORGET TO WRITE

ON BEHALF OF ALL Canadian writers, I'd like to apologize for not writing or publishing any books of interest last week. I realize that in doing so, we virtually forced Brian Bethune to devote a full page article to *Pride and Prejudice and Zombies*. Dammit, when will we ever learn? We beg *Maclean's* and Bethune to cut us some slack this time—next week, we'll try to do better.
David Lee, Hamilton, Ont.

THE ULTIMATE SCIENTIST

UNDER THE HEADING "Young, sorta reckless" (Mailbag, April 27), two of the letter writers promoted atheism over religion. Scott Nantes brought up the topics of morality, common sense and his preference for a scientific approach. He states that the ability to think critically and analyze information will often result in rejecting God and accepting atheism. This philosophy is not compatible with the fact that many scientists have a deep faith. Dr. Francis Collins is one of the world's top scientists and head of the Human Genome Project. His work is on the cutting edge of DNA study. In his book *The Language of God* he uses a scientific approach and critical thinking to make the case for God and for science. It is a good read for all who seek the truth.
Gavin F. Richardson, Professor, Atlantic Veterinary College, University of P.E.I., Charlottetown

THE VATICAN'S CHOICE

PAPAL AUTHORITIES have disqualified Caroline Kennedy from becoming the U.S. ambassador to the Vatican because she is pro-choice (Newsmakers, April 27). Does this mean that St. Augustine and St. Thomas Aquinas will soon be stripped of their sainthood because they both believed in delayed ensoulment, which allowed women to make a choice about abortion?
E.J. Adams, Regina

CANCON RULES

THE STRENGTH OF Andrew Coyne's convictions stands in stark contrast to his feeble grasp of the facts ("Let us watch what we want," National, April 27). Coyne's basic premise is that the conventional broadcasters' current financial difficulties are the result of the Canadian content requirements expected of them. The truth lies elsewhere. Los Angeles Canadian broadcasters have increasingly outbid each other in acquiring U.S. programming. Non-Canadian programming expenditures by English-language broadcasters have



risen 90 per cent in less than a decade, compared to 22.5 per cent for Canadian programming. Despite declining ad revenues, the broadcasters show no sign of curbing their foreign-program spending sprees. And even though revenues may have decreased last year, the broadcasting sector still realized an $8-million profit. It is also worthwhile to note that these same broadcasters are the owners



A SCENE FROM *FLASHPOINT*. "If Canadian broadcasters won't provide Canadian programs, why would we have them?"

of the highly lucrative specialty television services, which are subject to significantly higher CanCon obligations.

When Canadian content regulations for radio broadcasters were introduced over a generation ago, there were many objections. Yet those requirements spawned a healthy Canadian recording industry. If Canadian broadcasters are going to be licensed to carry out business in Canada, they must be obliged to provide Canadian programs for us to watch as well. And if they don't, the question is: why do we have Canadian broadcasters at all?
***Brian Anthony**, National Executive Director and CEO, Directors Guild of Canada, Toronto*

CANCON RULES have been around for decades to protect our cultural sovereignty and to provide Canadians with stories that reflect our country. Without these rules we would be overrun by fast-food American entertainment: cheap, often simple, and addictive, it entertains but homogenizes the world to a lowest common cultural denominator. Nurturing our home front is not xenophobic, it is prudent, progressive and inspirational. Our private networks are in peril now for continuing on a short-sighted path of fast corporate profits while not providing consumers with relevant product.
***Peter Keleghan**, Toronto*

ANDREW COYNE BEGINS his ill-informed article by suggesting Canadian broadcasters can't produce "decent drama." First, broadcasters don't produce drama, producers produce drama. Broadcasters would much rather not have to invest in Canadian production. It is risky and expensive. But CanCon is their price of doing business in this country. If there was no CanCon, they would lose their cultural industry status and become expensive middle men. We may as well cancel their licences and open the border. Of all the television-producing countries in the world, every one—including Britain—has some form of national content quota, except for the U.S. Has Coyne seen *The Border*, *Durham County*, *Corner Gas*, *Flashpoint*, or *Little Mosque on the Prairie*? Apparently not. He seems to be hooked on American product.
***Keith Ross Leckie**, Toronto*

GAY OLD TIME

COULD THE Urban Home Rachel in Montreal, which you call Canada's first residence for gay male seniors, become the cornerstone of future retirement residences ("Gay seniors get a place to call home," National, April 20)? I have not yet met a gay person whom I would not call a friend. I would happily choose a retirement home where I could find a mix of friendly people. Do we really want segregation?
***Sheila Hawkins**, Midland, Ont.*

EDITOR'S NOTE: Due to an editing error, a pull quote in the story "What Canadians think of Sikhs, Jews, Christians and Muslims" gave too high a figure for the percentage of Canadians who said that they would find it unacceptable for their child to marry a person of the Jewish faith. In fact, 56 per cent said it would be acceptable for one of their children to marry a Jewish person, 13 per cent said it would be unacceptable, and the remaining sizable minority did not commit to either answer.

As well, the story states that "most" Canadians would find it unacceptable for one of their children to marry a Muslim, Sikh, or Hindu. In fact, 29 per cent said one of their children marrying a Muslim would be unacceptable, 20 per cent a Hindu, and 25 per cent a Sikh. The numbers who said it was acceptable were 39, 46 and 39 per cent respectively. The rest did not commit to either answer.

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A WEEK IN THE LIFE OF HAMID KARZAI

On Sunday, the Afghan president met with a group of women's rights activists who claim that he told them he signed a controversial law legalizing marital rape because he failed to read it properly. The following day, Karzai vowed to make amendments that would erase any human rights concerns from the law. He then confirmed for the first time, while at a press conference with British PM Gordon Brown, that he plans to run for re-election this summer.

Good news

General Makeover

General Motors made some painful cuts in its latest restructuring effort. But they were an overdue acknowledgment that the company needs to get smaller to bring its production and its costs in line with demand. Chrysler, too, made a breakthrough in negotiations with its unions in the U.S. and Canada, which should allow the company to better compete with foreign rivals. The concessions aren't that radical—in Canada, workers will be asked to contribute to their own pensions—and they may set a new standard for an industry that's long been crippled by labour costs. The deals could open the door to government ownership stakes in the companies, and if that happens, Ottawa and Washington need to commit to divesting those stakes as quickly as possible. Barack Obama may be a good president, but running a car company is not his job.

Miracle kids

Two children survived calamity against incredible odds this week. A one-year-old boy abandoned overnight in a chilly Quebec forest, wearing only a diaper and T-shirt, was found alive and in good health after a massive search. In Manitoba, eight-year-old Sam Gross is making a remarkable recovery after spending 13 days in a coma. He was swept into a flooded culvert near his home and spent 20 minutes underwater. Doctors credit his survival to the frigid water that cooled his oxygen-deprived brain. His Hutterite family calls it a miracle.

Sex schooling

The British government announced this week that it will require all schools in the country to teach sex education classes. Students will learn about sexual health and contraception. The proposed law also applies to religious schools, although they will be allowed to tailor their own messages about abstinence, homosexuality and condom use. In a country that has long struggled with the highest teen pregnancy rate in Europe, it's a step in the right direction.

Let them jump

It was a good week to cheer for the underdog. The Toronto Blue Jays, written off by most observers this season, are off to their best start in years. And out west, lawyers for 15 women ski jumpers made a compelling constitutional case that gender discrimination in the sport has no merit and that they should be allowed to compete in the 2010 Olympics. It's sad the Vancouver organizing committee spinelessly caved in to the boy's club known as the International Olympic Committee. They even warned the IOC may not stage another Canadian Games if its rules are thwarted. So be it. Perhaps Afghanistan will make a bid.

Bad news

Lotto fuel

The government of Alberta will make more money this year from gambling, especially from VLTs and slot machines, than it will from oil sands royalties. The slump in commodity prices will reduce the province's oil sands take to $1 billion, while VLTs and the race track will generate $1.5 billion, according to budget projections. The fact is, Alberta makes more per capita off gambling than any other province—meaning that when the commodity price crap shoot goes bust, as it has this year, the province can fall back on the bad luck of ordinary Albertans.

Flip-flopped

The federal government has had some difficulty as of late staying on message. It struggled last week with a Federal Court ruling that ordered it to ask the United States to release Guantánamo Bay detainee Omar Khadr. It said it would appeal the decision, before saying that it might not. Finally, it said it hadn't decided what it would do. Meanwhile, the Department of National Defence denied the existence of a project called Polar Breeze, until the NDP confirmed that it's quite real. Don't like what the government has to say? Just wait a few minutes—it'll change.

Out of order

Ottawa was forced to go to court this week to defend its right to make drug policy decisions, appealing a B.C. ruling that said it can't shut down Vancouver's safe injection site because addicts have a right to shoot up in the government-funded facility. Although the site has arguably made it safer for addicts to get high, it doesn't seem to have made B.C. safer. The former chief economist of the Vancouver Board of Trade says that drug addiction is to blame for the city's growing crime rates. The police say that addicts require $100 a day to buy their fix. Both are calling on Ottawa to enact heavier sentences on repeat offenders, and to offer better rehabilitation for drug abusers. Rather than giving criminal addicts a place to get high, they suggest giving them a place to get clean: jail.

Air scares

The White House was locked down and President Barack Obama was briefly whisked to an undisclosed location when a small plane entered the restricted airspace overhead this week. But that was nothing compared to what happened in New York, when a low-flying 747, tailed by military fighter jets, flew over the city, spreading panic among some office workers who evacuated entire buildings. It turned out it was a photo-op staged by the Federal Aviation Administration. New York Mayor Michael Bloomberg was livid over what he rightly called a "ridiculous" stunt. M

FACE OF THE WEEK



DAVE CHIDLEY/CP

RODNEY Stafford spoke to reporters in Woodstock, Ont., two weeks after his eight-year-old daughter Victoria was abducted

B.C. PUBLIC SAFETY MINISTER CAUGHT SPEEDING, PITT DOES THE FALLS, SARKOZY PIMPS HIS RIDE

NEWSMAKERS


SARAH OBAMA

Grandma drama

Sarah Obama, the 87-year-old step grandmother of President **Barack Obama**, suddenly found herself at the centre of a religious tug of war last week in her native Kenya. Obama, a Muslim, accepted an invitation to attend a Seventh Day Adventist Church event, allegedly as an honorary guest. But local Muslim leaders protested, alleging that the event was part of a plot to convert Obama to Christianity now that she is a local celebrity. "Mama Sarah should not be forced by anybody to join Christianity since she is a Muslim," said Sheik **Mohamed Khalifa**, of the Council of Imams and Preachers of Kenya. "Muslims will not sit and watch one of their own being coerced by some religious leaders to convert to Christianity." Obama ultimately did not attend, but according to her son, **Saidi Obama**—the U.S. President's uncle—this was not because of any attempted conversion. "She was to attend as a VIP," he told the *Telegraph*, "but in the end she had other commitments."

Safety minister's safety lesson

British Columbia's Solicitor General and Minister of Public Safety **John van Dongen** resigned on Monday after being taken to task for unsafe driving. Last week, van Dongen was alerted by the Office of the Superintendent of Motor Vehicles—an agency for which he was responsible—that he is prohibited from driving for four months due to two recent incidents of excessive speeding. "I'm not proud of my driving record that triggered this prohibition," van Dongen told CBC Radio. "I take responsibility for it." B.C.'s NDP Leader **Carole James** called on him to resign early on, but Premier **Gordon Campbell** praised him for owning up to his mistakes. The premier has had his own dangerous driving misadventures. While on vacation in Maui in 2003, Campbell was arrested for impaired driving, and fined US$913. Van Dongen still plans to run as a Liberal candidate in the May 12 election.


HECK BULLS

Very, very cold feet

Megan McAllister, 25, stunned the public when she announced she would stand by her fiancé, the alleged "Craigslist killer" **Philip Markoff**, 23, and proceed with their Aug. 14 wedding in New Jersey. But last weekend, the leader of the wedding band the couple hired to play at their reception confirmed to *People* magazine that the nuptials have been called off, at least for now. "A family member of Megan's told me there is no possibility of this wedding taking place this August," said **William Forte**, founder and keyboardist for the B Street Band, a Bruce Springsteen tribute band. Markoff, a medical student, stands accused of the April 14 murder of 25-year-old masseuse **Julissa Brisman**, whom he found on the website Craigslist.

What the Heck?

Derek Gow, a British conservationist who operates a rare breeds farm on the Devonshire-Cornwall border, recently acquired a herd of 13 Heck cattle—an ancient, jumbo-sized breed of long-horned cattle that was resurrected by **Adolph Hitler** 70 years ago in an attempt to "purify" a countryside overrun with "racially degenerate" wildlife. Two scientists, brothers named **Heinz** and **Lutz Heck**, were retained by the Nazis to breed this species of "Aryan cow" back into existence. By the end of the Second World War, however, nearly all of them had been destroyed. Gow reportedly bought his nine Heck cows and four bulls from a Belgian conservation park that had bred the herd from the few animals that remained. "The Nazis wanted to recreate the aurochs to evoke the power of the folklores and legends of the Germanic peoples," Gow told Britain's *Independent*, adding, "I don't think there is anything more sinister in owning Heck cattle than there is driving a Volkswagen."

Pitt, falls

Brad Pitt, his parents, and his two oldest sons, **Maddox**, 7, and **Pax**, 5, turned up in Niagara Falls, Ont., last Saturday, arriving in a black SUV with tinted windows, to "explore the roar" on the Maid of the Mist boat tour. Clad in plastic blue ponchos, Pitt's crew took photos of each other getting soaked on the upper deck while security stood by.


BRAD PITT & AND FAMILY

The timeless art of seduction

A new painting by the artist **Filippo Panseca** of flamboyant Italian Prime Minister **Silvio Berlusconi** has set tongues wagging. Rendered in neo-classical style, the painting depicts Berlusconi, 72, naked, with an enormous pair of wings. "I did it as a joke!" Panseca told the Associated Press. "I've been doing all sorts of work for 50 years, I didn't expect to raise such clamour with this." The sticking point is that also pictured semi-nude in the painting is the premier's minister of equal opportunity, **Mara Carfagna**, a 33-year-old former model to whom Berlusconi famously and publicly said two years ago, "If I weren't married, I would marry you immediately." (His wife demanded an apology.) Berlusconi also raised eyebrows last week when, among his list of candidates for the European Parliament elections in June, he included a Miss Italy contestant, a lingerie model, and a sexy reality-TV celebrity in his defence, he said: "I want young faces, new faces, to give People of Freedom [his new party] a fresh image in Europe."

THOMAS MUKOYA/REUTERS · ALEX GRIMM/CORBIS
JAMES P. MCCOY/AP


PORTRAIT OF SILVIO BERLUSCONI

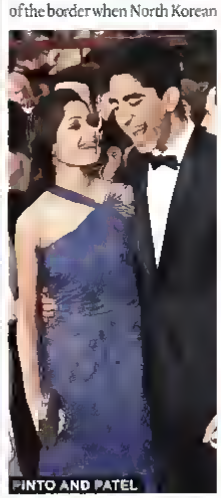
ITALO BIANCHERO/CP · ERIC GAILLARD/REUTERS
TOM HANSON/CP · LESTER COHEN/GETTY

Must-see terror TV

Javed Iqbal, 45, a Pakistani entrepreneur living in New York, has been sentenced to nearly six years in prison for using his satellite TV company to distribute a channel run by Lebanon's Hezbollah, designated a terrorist organization in the U.S. Iqbal, a father of five with a sixth on the way, pleaded guilty, saying it was a case of poor judgment, and that he had no ideological ties to the organization. "He is a business man," his lawyer said, "and sought to provide services he thought would generate profits." The lawyer was also quick to point out that the Hezbollah broadcasts made up only a sliver of the programming Iqbal made available to his customers (other fare included Christian shows and pornography). Still, regardless of his motives, assistant U.S. attorney **Eric Snyder** said, "He was, in a very real sense, Hezbollah's man in New York City."

Human chess

American journalists **Euna Lee** and **Laura Ling**, who were detained by North Korean officials on March 17, have been formally charged and are set to stand trial in North Korea for "hostile acts" and illegally entering the country. If convicted of espionage, the women could face up to five years in a harsh prison camp, according to the Associated Press. Lee and Ling—the younger sister of CNN's Lisa Ling—were in the region to report a story for Current TV on refugees fleeing Kim Jong Il's brutal regime. The women are alleged to have been on the Chinese side of the border when North Korean guards arrested them. Observers fear for their prospects at a moment when global tensions over North Korea's nuclear arms program are escalating, the two women are precious pawns. **Koh Yu Hwan**, a professor at Dongguk University in Seoul, told the London *Times* that having two Americans in custody was like having a "piece of rice cake rolling in for free."


PINTO AND PATEL

Green wars

Liberal Premier **Gordon Campbell**'s proposed carbon tax has created a schism among prominent B.C. environmentalists. The David Suzuki Foundation, ForestEthics and Pembina Institute—who view the Liberal tax as a progressive step—have blasted the NDP for its proposal to scrap the tax in favour of a cap-and-trade system. Meanwhile, Vallhalla Wilderness Society director **Anne Sherrod** told reporters that David Suzuki's support of the Liberals' environmental policies—which critics say will increase coal production, expand fish farming, promote offshore oil and gas drilling, and reduce wildlife protection—"is enough to make most environmentalists' hair stand on end." **Alexandra Morton**, a salmon advocate with the Raincoast Research Society, fired off a furious email to Suzuki and other Liberal supporters. "Your love-in with Campbell is a betrayal to all that are alive in B.C.," she wrote. "Yeah, you got big headlines ... now what. If Campbell gets re-elected you can take credit for all that follows."


DAVID SUZUKI

Slumdog romance

Anita Patel, the mother of *Slumdog Millionaire*'s boyish star **Dev Patel**, 19, has confirmed that her son and his on-screen love interest **Freida Pinto**, 24, are a real-life couple. The pair was recently photographed looking cozy together in Israel, where Pinto is currently working on Julian Schnabel's latest film, *Miral*. They had tried to keep their romance a secret, but their *Slumdog* co-star **Anil Kapoor** was dropping hints to reporters, saying, "When I meet them, I feel there is something happening." Pinto recently broke off her engagment to **Rohan Antao**, who blames Patel for coming between them. "I don't know if they were having a sexual relationship but if I came face to face with him I would have things to say," Antao said. "Now everywhere I go I see them on billboards. I am devastated."


SARKOZY AND BRUNI

Size matters

French President **Nicolas Sarkozy**, often accused of having a competitive streak, is reportedly embarrassed at international summits by how poorly his presidential jet measures up to Barack Obama's Air Force One. To remedy this imbalance of symbolic power, Sarkozy has approved the purchase and retrofitting of an A330-200 jet for his own personal use at a cost of $280 million. While still not as big as Obama's ride, Sarkozy's new plane will be at least 10 metres longer and two metres higher than the aircraft used by other European leaders. It will feature desks for the president and his secretary, a meeting room for 12, seating for 60, a bedroom and private bath, an encrypted communications system and anti-missile protection. Critics say the president's ego is driving this imprudent purchase. But according to **Christian Fremont**, head of the president's private office, the current jet's cramped spaces and shoddy phone reception are amateur hour. "On board, the president is sometimes cut off," he said. M

It's far too modest to call this a free trade deal



PAUL WELLS

On May 6 at the Liechtenstein Palace in Prague, Stephen Harper and Mirek Topolanek, the Czech prime minister, will formally launch negotiations toward free trade between Canada and the European Union. It's all a bit misleading. First, preliminary negotiations have already been under way for more than two years. Most of the work involved getting the Europeans' attention and persuading them that Canada was serious about a deal.

Second, the negotiations involve way more than simply lowering customs tariffs, which is why the Europeans are exasperated that Canadians keep calling this a "free trade" deal. "This is so much more than free trade," Anya Oram, the European Commission's head of economic and commercial affairs in Ottawa, told me. But in Canada ever since the 1988 election, "free trade" has been a handy synonym for "big deal," and this is certainly that. These negotiations will touch on trade in services, investment, government procurement rules, mutual recognition of professional credentials and more.

The Council of Canadians is already ringing alarm bells, calling the deal "NAFTA plus with Europe." The council's Stewart Trew says the Canada-EU negotiations "could fundamentally change the way the Canadian economy works and our local communities govern themselves, more than any previous trade agreement, including NAFTA." He's not wrong. The only question is whether it's a bad thing.

Jean Charest thinks it's an excellent thing. When Harper and Topolanek meet in Prague, you'd do well to remember that their announcement marks the culmination of an effort that was launched by the Quebec premier, at first with very little help from Ottawa.

"There's no one who gets up in the morning and says, 'We need to make a deal with Canada,'" Charest told me in a phone interview. "Nobody in the world. That's not a knock on Canada–it's a wonderful place, but we're 33 million people. You need to get up early and knock on doors."

Charest started knocking in 2006. The Europeans were skeptical. No, actually that overstates their enthusiasm. The Doha round of global trade talks was in full swing, and Peter Mandleson, then EU trade commissioner, wanted no part of a bilateral process that might distract from global efforts. Besides, Canada is a federation. It has provinces that squabble and dissent. Why bother?

Then things started to change. The Doha round stalled, so the only way to move forward on trade liberalization was to strike bilateral deals. Within the Council of the Federation–another good idea from Quebec–several premiers, including B.C.'s Gordon Campbell, Manitoba's Gary Doer and Saskatchewan's Brad Wall, made strong commitments to freer trade, both outside Canada and within its borders. So Canada started looking more like a serious partner, just as Europe started looking for one. These processes converged while France held the rotating six-month presidency of the EU last year. Whatever else he is, Sarkozy is a friend of Quebec federalists and an admirer of Canada. With Germany's Angela Merkel he pushed Canada onto the European agenda.



TOM HANSON/CP

'We want to start with everything on the table,' says Charest. And critics are lining up.

From there events have moved quickly. Last October Canadian and European leaders assigned negotiators to "define the scope of a deepened economic agreement"–the subjects that would be on the negotiating table. Five months later, in March, the Joint Scoping Group came back with their answer: just about everything.

Tariffs are already low between Canada and Europe but the talks that are about to begin will consider eliminating all that remain. They'll also look at trade in services, investment, procurement and regulatory co-operation. "We want to start with everything on the table," Charest said, "and bring as much momentum into this as we can."

That's why it's unduly modest to call this a free trade deal. "If we're going to have a competitive society, the foundation of that will be labour mobility," Charest said. So one goal will be a situation where Canadian professionals can work unimpeded in Europe, and vice versa.

You don't have to think about this for long to realize that the hard work lies ahead and the likelihood of the talks breaking down is high. Since barriers to trade are already low in a lot of ways, "what's left is the most sensitive," Oram said. Topics like supply management and the Canadian Wheat Board, the baroque mechanisms by which Canada protects domestic agricultural production and prices. Municipal procurement, which would allow German and French manufacturers to bid on subway contracts in Toronto and Vancouver on the same basis as local manufacturers. Securities regulations.

Already Charest's enthusiasm dims when I read this list to him. "There's nobody in Canada or the EU who expects us to be able to crack that nut," he said of farm subsidies on both sides. "We will still defend supply management." What about a national securities regulator? "We have a disagreement with the federal government on that."

And then there are all the charming peculiarities of European trade policy. Every restaurant in Paris has a line on the menu proclaiming that it serves only beef from the EU. Would they really let Alberta beef in?

So it could all fall apart. But if it doesn't? Before long the only way Canadians will be able to let Europeans into our markets will be to let one another in as well. Trade liberalization with Europe will be a powerful force for removing the barriers between provinces, which in many cases are higher. "That's one of the advantages of these initiatives," Charest says. "It sheds a different light on our own relationships as Canadians." No wonder the fans and foes of liberalized trade are lining up. This is big. M

ON THE WEB: For more Paul Wells visit his blog at **www.macleans.ca/inklesswells**



It took Iggy nine years to write 177 pages?



ALLAN FOTHERINGHAM

Oh dear. Is Michael Ignatieff the most naive politician to ever come down the pike? Or the most insulting, presumptive sort of animal to travel the same route?

The obvious question comes apparent with last week's publishing of his 17th "book" bearing the astonishing/embarrassing title of *True Patriot Love*. This coming from an author who has spent half his life, most all of his adult life, living outside Canada? Give us a frigging break.

He opens with "True patriot love in all thy sons command

With glowing hearts we see thee rise,
The True North strong and free!

And then adds: FROM "O CANADA!," THE NATIONAL ANTHEM OF CANADA—as if he is addressing a foreign audience. Yes, Michael, we know our own anthem. Do you?

The subtitle is equally puzzling: *Four Generations in Search of Canada*. As if the poor soul, from the fastness of the academic halls of Harvard and Cambridge, couldn't find an atlas to discover where the land of his birth was.

There is an air of panic to this project. Penguin Group (Canada) announced in 2005 that it had signed Ignatieff to a book contract, just as he first indicated he was venturing into Canadian politics after nearly 30 years abroad. Now, of course, most pundits predict Stephen Harper's shaky minority government will likely have to go to the polls this fall as the three opposition parties can win a confidence vote whenever they choose.

Ignatieff finally started to deliver his manuscript in "chunks" by last August. The final chunk was delivered on Jan. 5. The publisher admits to having to put "extra care and extra people onto the copy editing and the proofreading" to make an unusually fast turn around for the April 21 publication.

There are some peculiar aspects to this publication. It is advertised at $30 for its modest "224 pages." But it's actually only a slim 177 pages—the rest is larded out with "Notes, Primary Sources and Acknowledgments, Secondary Sources and Index."

Now we all know how brainy the author is. A few years ago, a survey conducted by *Foreign Policy* magazine and *Prospect*, a British journal, ranked Mr. Ignatieff as the 37th-most "public intellectual" in the world. The author writes in a note here that he began writing this book in 2000 and finished it in 2009. Is he in fact a slow typist? (Perhaps he does his composing in longhand?)

Even more disturbing is his listings under "Secondary Sources"—61 books, their authors, publishers and dates of publication. Does it really take 61 books of reference to produce 177 pages? It is a bit of an insult to Ordinary Reader.

He writes, "My mother used to go about the house humming a Judy Garland song with a line about how, if you haven't played the Palace, you might as well be dead. The Palace Theatre was elsewhere—not in Ottawa, where I grew up, but in the big bright world beyond. So the family question wormed its way into how I thought of my life, and the answer I gave myself was to get out of here, to go out into the bright world beyond and play the palace. I played the palace in London for 20 years, as a journalist and writer, and for five years at Harvard as a professor."

A wise editor might have suggested leaving that passage out. But at least he was being honest. Canada was too dull for someone so talented.



True patriot love? From a man who's spent most all of his adult life outside Canada?

The hero of this small tome turns out to be George Monro Grant, the writer's great grandfather on his mother's side. He was famous for setting out in 1872 with Sir Sandford Fleming to map out a route across Canada that would become the Canadian Pacific Railway and supposedly bind this difficult country together. Ignatieff was so taken with his relative that he devotes 37 of his precious 177 pages to him, including the sabbatical he was awarded after a decade at Queen's University that gave him a world tour of the British Empire.

In all, the small book goes on to the longest descriptions of Grant's oldest son, William Lawson Grant (1872-1935), who was a principal of Canada's most famous private school, Upper Canada College. Not to mention Ignatieff's uncle, George Parkin Grant (1918-1988), the renowned philosopher and author of the controversial *Lament for a Nation*.

Throughout, there is the overwhelming desire to convince us of the brilliant, educational gift of the Anglo Saxon mind—while leaving unspoken the heritage of where he came from. We all know the dazzling background, that both his great-grandfather and his grandfather were Russian counts who served as cabinet ministers in the czar governments.

In the index, the actual word "Ignatieff" is mentioned only four times. The Grant family makes it to 66. What we have here, one cynically suspects, is a desire—an election coming up—to appeal most of all to that rich, decades-old Ontario base of Anglo-Saxon vote that, thanks to its population, can decide most of all our elections.

Ignatieff writes that this book was devised in 2000 when he and his second wife, Zsuzsanna Zsohar, a Hungarian, set out in a rented Ford to retrace the 1872 route of his distant relative, George Monro Grant.

The book is going to have to survive without the backing of Canada's natural ruling party. Penguin's Diane Turbide has confessed, "We can't use Liberal party lists or any apparatus of the Liberal party to promote the book. They have been very clear about that."

The party realized this was a turkey. Too bad the author didn't. M

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CAPITAL DIARY

MITCHEL RAPHAEL ON THE DEATH OF OTTAWA'S BEST-LOVED CHEF AND FLAHERTY'S WIFE TAKES AIM

MEN IN WHITE

Dozens of Ottawa chefs, including **Oliver Bartsch** from 24 Sussex and **Louis Charest** from Rideau Hall, were at the funeral of **Kurt Waldele**, 61, who died of lymphatic cancer. Waldele was the executive chef at the National Arts Centre for more than 30 years, and most of the chefs in attendance had worked with him at some point in their careers. As the coffin was carried into Ottawa's Notre-Dame Cathedral Basilica, chefs in their white uniforms formed an honour guard. One was overheard saying only Waldele "could get all these chefs to leave their egos at the door." A memorial case at the NAC showed photos of Waldele with **Pope John Paul II** and **Mikhail Gorbachev**. Many in Ottawa credit him with introducing Canadian food and wine to an internanional audience. "He inspired a generation of Canadian chefs but he also took the time to raise money to help animals in need, and for that I will miss him," said **Laureen Harper**, who chairs fundraisers for the Ottawa Humane Society, a cause that was close to the chef's heart. Mrs. Harper loved Waldele's potatoes au gratin and when there was a big event she would ask him if he was serving them. Sometimes when they weren't on the menu he'd sneak into the kitchen and whip some up. "They were simply the best in the world," said Mrs. Harper. Among all the earnest tributes to Waldele at the funeral, the chef's close friend **Harvey Shippacoff** slipped into his eulogy that Waldele's favourite restaurant was, in fact, Red Lobster. Chef **Michael Blackie** succeeded Waldele as executive chef at the NAC in March.

WHERE'S SECURITY?

Last Tuesday on the Hill there was a huge Tamil demonstration. The Tamils were protesting the Sri Lankan government's attack on separatist fighters, accusing it of genocide. One Hill staffer noted that normal Hill security seemed to have fallen apart. Ministers' cars were being directed by the Tamils. At the same time as that rally, the Congress of Armenian Canadians was in the East Block honouring MPs who had voted in 2003 to support a private member's bill recognizing the Armenian genocide. There would have been even more genocide awareness that day on the Hill, but due to the Tamil demonstration a scheduled Holocaust memorial service had to be moved to another location. A stone's throw away from Parliament, several ambulance vehicles were parked on a pedestrian-only street, but they weren't protesting anything; they were part of a reception for the Emergency Medical Service Chiefs of Canada. NDP MP **Peter Stoffer** popped in and was put in an emergency chair for a demonstration. There were lots of offers to have someone hold his beer, but he seemed to prefer to hold on to it.



PETER STOFFER (top left), (then clockwise) James Moore (at right) and Conservative MP Mike Lake, the honour guard of chefs (with circle inset of Kurt Waldele), Stockwell Day playing chess with Death, Christine Elliott and (in the background) her husband, Jim Flaherty

DAY'S CHESS GAME

Heritage Minister **James Moore** was a happy camper at the Entertainment Software Association of Canada's reception, which had on hand a host of video games. Moore keeps an Xbox 360 in Ottawa and another one at his B.C. home. He also has multiple copies of his favourite games, such as Rainbow Six: Vegas 2. After the video game reception, Moore helped launch the NAC's B.C. Scene festival, highlighting the province's arts. The reception showcased food from B.C. "This is the one night you can eat sea food in Ottawa," joked Moore. At the same event, **Stockwell** Day played a game of chess with Death. Death won, said the minister, who claims the actor cheated. "And you can't cheat Death," quipped Day, who is an avid chess player. He used to offer his kids money if they could beat him at the game. Eventually they all did. Now he is making the same offer to his grandchildren.

FLAHERTY KNOWS HIS WIFE MEANS HIM

At an Ottawa pub meet-and-greet for **Jim Flaherty**'s wife, **Christine Elliott**, who is running for the leadership of the Ontario Progressive Conservatives, the candidate noted the need to abandon old campaigns and look to the future to win. "She's referring to me," quipped Flaherty, who once served as an Ontario MPP. M

ON THE WEB: For more Ottawa outtakes or to contact Mitchel Raphael visit **macleans.ca/mitchelraphael**

SHAUN BEST/REUTERS
PHOTOGRAPHS BY MITCHEL RAPHAEL

INTERVIEW







'Actual flu cases, a new strain, seems to validate our fears, not just of illness or foreigners, but of social disruption'

EPIDEMIOLOGIST PHILIP ALCABES TALKS WITH KATE FILLION ABOUT SWINE FLU, FEAR, AND THE FOLLY OF TOO MUCH PREPAREDNESS

Q: *In your new book* Dread, *you look at the ways fear and fantasy have fuelled epidemics throughout history, and point out that the last time North Americans worried about swine flu, in 1976, the "cure" turned out to be far worse than the disease*

A: It was a public health fiasco. Some soldiers at a base in New Jersey got sick, one of them died, and it turned out he had a strain of flu from the same family as the 1918 strain, which killed 40 million people. U.S. federal officials jumped far ahead of the facts and promoted a nationwide immunization program. They started in the fall and immunized 45 million people, but by November they had to stop, because they started to see cases of this neurological condition, Guillain-Barré syndrome. Later studies suggested very strongly that at least half the cases—there were about a thousand—were vaccine associated, and 32 people died. You might say, "Well, you have to break some eggs to make an omelette, you have to protect the public"—but there was no swine flu outbreak after all! And the U.S. government spent $93 million after the fact to remunerate people who had lost loved ones.

Q: *It's surprising that the scientific community promoted fear.*

A: I'm not going to impute that agenda to scientists, but I do think there were scientists claiming that another 1918 could happen any minute, which is why they needed more funding for flu research, and they were suddenly heeded. What happens in the '70s is that there are advances in laboratory methods and techniques that allow people to study viruses a lot better, which is a good thing, and there's also an expansion of funding for benchtop research. The federal authorities that provide grant funding insist, not unreasonably, that researchers show their research will be useful in some way. And that creates an incentive for scientists to imagine what *might* happen. "What if 1918 happens again? Maybe with this research, we could fight it better."

Q: *What do you think of Obama's "no cause for alarm" message on swine flu?*

A: It's the right message. He's saying, "We've got a sound public health system, we've been planning for infectious disease problems for a long time and we have experience that goes back even longer, and there's no need to see this as an extraordinary crisis."

Q: *But the World Health Organization is warning this could be a pandemic.*

A: The WHO has been saying that a pandemic is inevitable for the past few years. I don't know what it's like to work for the WHO, but I imagine you see that the health agencies in the member nations are concerned, and you can't do much, so you go out and crank the thermometer from level three to level four. I don't make much of that.

Q: *What does it do to us, psychologically, to be warned of an epidemic or pandemic?*

A: It arouses fear. The rhetoric of the last few years about the possibility of a reprise of 1918 has fertilized people's imaginations. And then when something real happens, it's kind of like a match being thrown on dry tinder. We've been ready to get worried, and oh, now there are actually flu cases, it really is a new strain! And that seems to validate our fears, not just of illness or foreigners or germs, but our fears of social disruption, that something fundamental is going to change and life as we know it isn't going to go on.

Q: *You say that we create stories about epidemics as an outlet for our dread. What dread, exactly?*

A: I think we're deeply ambivalent about the society we've created. We like the advanced technology, the comfort, the fact that we no longer have to share a mud hut with our 12 children and the family goat. On the other hand, we really worry that we've gone too far, in some way tempted fate, and therefore bad things are going to happen. The idea that punishment will take the form of a disease epidemic is ancient. It's in the Bible. And in fact, the response to the Black Death in the 1340s represented a similar kind of anxiety about modern times. A lot of people were still living with the family goat, but they were worried that they weren't worshipping the way that their grandparents had, the church was changing, there was a new middle class and people were leading different lives. Anxieties about modernity got swept up and attached to the specific fear of that plague. This anxiety about modernity stays with us, it's just that modernity gets updated. What *has* changed is that we've established public health systems. Now we actually have something to fall back on and feel confidence in.

Q: *During the avian flu scare a few years ago, there was endless talk about "preparedness," stockpiling food and Tamiflu and so forth. You're anti-preparedness. Why?*

A: I'm not anti-planning. I'm a public health promoter, I think we should plan for reasonable eventualities and put the processes into action when the facts warrant it. But I don't see the utility of getting people worried that anything might happen, because we put ourselves in a position to respond to nothing.

Q: *How did the "preparedness" movement gain so much momentum over the past decade?*

A: The Bush administration was very adept at channelling people's fears into the creation of threats that were based on little or no evidence, and using that as a kind of manipulation to get the public to agree to more surveillance and fewer civil liberties. Bioterrorism was essentially chimeric. There was almost no chance that any person was going to take germs and create a widespread epidemic disease disaster, but we were told that was going to happen and therefore we should duct tape our windows and so on. It's part of what I call a personalization of risk.

Q: *How does bioterror feel more personal than any other risk?*

A: After the World Trade Center disaster, I was really struck by how fatalistic New Yorkers were about the collapse of the towers and the deaths of thousands of neighbours, friends, family members. On the other hand, there was the postal anthrax outbreak a few weeks later, and five people died. Now, that's sad, but the reaction to that was people were ironing and microwaving their mail, buildings got evacuated every time somebody thought they saw white powder, there was near-hysteria. We recognize that terrible things happen in the world, but when it seems like "there's something I should be doing to protect myself," it resonates in a different way. We ask ourselves, "Did I do something wrong? Should I be protecting my own health by not indulging in some behaviour or by adopting some new behaviour?" In the past quarter-century or so, we've personalized risk much more dramatically.

Q: *What factors contributed to that change?*

A: I think AIDS is the big one. I don't mean HIV per se, but the AIDS epidemic, which is to say the story we've told ourselves about what AIDS means. The premier explanation for AIDS, that's been adduced at least in North America and Europe, has been moralistic. "It's about behaviour, people doing something wrong." It's not just "Infections happen"; or, "Here's yet another example of a contagious microbe spreading through the population."

Q: *What story do we tell ourselves about the Spanish flu?*

A: "Something is going to creep up and invade us"—which is ironic, because in fact the 1918 flu very likely began in the U.S. But we call it the Spanish flu because at the time, newspapers were censored in the countries that were at war. So in the U.S., England, France and Germany, though people were sick and dying, there was literally no mention of the flu. Spain, however, was neutral in World War One, so the Spanish newspapers carried reports of this epidemic, and the story is that people started calling it the Spanish flu because that's where it was reported.

Q. *What story could we tell ourselves about the swine flu? "People shouldn't vacation in Mexico?"*

A: I worry that if we allow ourselves to exaggerate our fears about what this—so far—quite small outbreak of a new strain of flu means, we're going to start hearing from the anti-immigration people who want to make the fences between the U.S. and Mexico higher. We're going to hear from the ideologues who want to blame it either on capitalism or on what they claim is Obama's socialist agenda. It'll bring out the crusaders.

Q: *You say that old-fashioned public health measures are the best ways to deal with a flu outbreak. Why is it so difficult for people to believe in tried-and-true responses?*

A: The methods already in place in Mexico City—closing schools, temporary bans on public gatherings, travel restrictions—have been used for hundreds of years, and they seem to be working so far. But we have this double-edged sword of knowledge: we've got access to so much information now that we can know in a few instants what's happening anywhere in the world. That could be reassuring if we wanted it to be, but we have these fantasies about a terrible pandemic with millions of deaths, and it's very easy to interpret the wealth of information that's available at the click of a mouse as validating our fears. I want to be clear: it's still possible that something really bad will happen. But at this point, a week into our awareness of the outbreak centred in Mexico, we're not looking at a very bad flu outbreak.

Q: *When the hype of an epidemic—like the avian flu epidemic a few years ago—isn't borne out, does it create an incentive for the media to ratchet up the threat level the next time in order to get people's attention?*

A: I think we're always worried. We carry anxieties with us, and the stories that public health people and the media tell simply fuel those fears. I don't see that it's ever been hard to sell us on the idea that we should be worried about some new thing: the obesity epidemic, the ADHD epidemic, the restless leg syndrome epidemic. But it's a two-way street: if we didn't want to read those stories, they wouldn't be published or broadcast. We want to hear about epidemics, in part because they seem to tell us something about this anxiety we have about what's wrong with modern life. The obesity epidemic seems to talk to us about the addictiveness of modern life, or about the toxicity of the food supply. It's interesting because actually, we're pretty safe. Compare North America to Africa or other developing countries: our kids aren't dying of diarrhea or malaria. Yet we're fascinated by epidemics. At least we no longer, as they did in the 14th century, burn Jews when an epidemic comes. Civilization has made some progress.

Q: *But we still have trouble keeping some things like the flu in perspective.*

A. Exactly. There have been 149 deaths in Mexico as of this morning. Let's say all are attributable to this flu, which we don't know yet. Well, that's one bad weekend on the roads in the U.S. But no one thinks of auto accidents in terms of a public health crisis. M

PHOTOGRAPHS BY STEVE SIMON



'We're worried we've gone too far, that we've tempted fate and that bad things will happen'

The best man for the job—well, the best one around

His approval rating, like his party's, has slid, but Stephen Harper is here to stay



ANDREW COYNE

Here's how bad things have got for Stephen Harper: people are taking Garth Turner seriously. The former journalist, former Conservative, former MP's gossipy tell-all of his time in Parliament, *Sheeple: Caucus Confidential in Stephen Harper's Ottawa*, with its lengthy, verbatim quotes from private conversations with the Prime Minister, has attracted the sort of respectful attention usually reserved for more substantial works. And far from being dismissed as the sour grapes of a perpetual grandstander, his tales of ill use at the hands of Harper and his aides have raised only rueful clucks of "sounds about right." Among Conservatives, I mean.

It's been like that lately for the Prime Minister. His party is rapidly losing what meagre altitude it had gained in the polls, tensions are high between its Progressive Conservative and Reform factions, and the bizarre, self-inflicted crisis over Brian Mulroney's party membership was resolved only after some small but striking displays of defiance by caucus members. Little wonder that speculation among the political class has grown that Harper's grip on power is slipping, that he might leave or even be forced out before the next election.

It's not going to happen. Whatever Harper's mistakes of judgment, however grating voters may find his personality, there is no obvious alternative to him as party leader, nor is one likely to emerge in time for an election. Bloodied as he may be, diminished as his reputation surely is, he's not going anywhere, not of his own volition, and certainly not against it.

That isn't to understate the Conservatives' present distress. From a six-point lead in the polls, on average, in January, the Conservatives have drifted to a two-point deficit in April. Support is falling everywhere: they are in a three-way dogfight in B.C., have fallen eight points back of the Liberals in Ontario, and in Quebec—oh God. At 35 per cent in a Leger poll last September, the Tories are now hovering around 10 per cent. In some polls, they're *trailing the NDP*.

The odd thing is that the public gives the government pretty good marks, all in all, for its handling of the economy—remarkably so, at a time of rising unemployment, falling output and exploding deficits. Six in 10 respondents to a recent Ipsos Reid poll rated the government's economic performance at C or better. An Ekos poll finds nearly half of Canadians believe the country "is on the right track," a question that is usually strongly correlated with support for the party in power.

Yet just as many respondents said the *government* was "on the wrong track." Those polled described the Harper government as cautious, rather than visionary, though their own preferences leaned distinctly to the latter side. It's hard not to interpret these results as a referendum on leadership. It is surely no coincidence that the Liberal surge began more or less the day Michael Ignatieff replaced Stephane Dion as leader. More tellingly, the Tory slide has been accompanied by a significant increase in public disenchantment with Harper. Ekos finds 54 per cent disapproval of Harper's performance, nearly twice as high as for Ignatieff.

On the other hand, polls still show Harper leading or level with Ignatieff on a range of traditional leadership questions: "best prime minister," "strong and decisive," and so forth. Understandably so. No one doubts Harper's abilities. He is easily the most impressive political leader of his generation. It's his style, the way he does politics—the chippiness, the intolerance of dissent, the relentless partisanship—that puts people off. Once, people would have described him as dull but decent; a bit of an ideologue, but a straight arrow; principled, consistent, ethical to a fault. Now, the word that more usually comes to mind is Machiavellian.

Yet even his reputation as a strategist has been tarnished. The leader who was once known for playing "the long game," preferring to build his political capital rather than take short-term political profits, has succumbed, under the pressures of minority government, to the temptations of tactical advantage. For a time, against Dion's uncertain opposition, it seemed to work. The Tories ran the table with the Liberal leader, emerging triumphant in a series of parliamentary tests of will that were the basis of Harper's alpha male reputation as a "strong leader."

But since the fall the results have been little short of catastrophic. The calling of an early election, in defiance of his own fixed-term legislation; the decision to campaign without a platform, even in the shadow of an oncoming economic crisis; his own erratic performance as a campaigner, notably with regard to Quebec; the fall economic statement, with its ill-judged lunge for the opposition's vitals; the desperate, borderline unconstitutional lengths to which he went to stave off a vote of no confidence; the sudden lurch into deficit in January's budget; the enthusiastic embrace of corporate subsidies; the massive increase in spending—all this has bewildered the government's supporters, even as it has alienated swing voters.



BLAIR GABLE/REUTERS

Harper's erratic performance since the fall has alienated swing voters and bewildered even his supporters

But. With all his faults, who is there to replace him? Leave aside the matter of how he could be replaced. What alternative is there for the Conservatives? Who could command the same degree of confidence? Answer: no one. It is perhaps the strongest indictment of Harper's leadership that he has recruited so few people of stature to serve with him, and afforded those he has so little opportunity to shine. But the fact remains: he is by far the Conservatives' strongest horse. By *far*. Peter MacKay? Don't make me weep. Jim Prentice? Don't make me laugh. Jim Flaherty has performed capably enough as finance minister, but has probably risen as far as his abilities will take him. Jason Kenney, talented as he is, is not nearly ready. After that it's a long way down.

Besides, the Tories aren't in all *that* bad shape. After a rough few weeks, in the middle of a recession, with Ignatieff in mid-honeymoon, they trail by only a couple of points. And they have not yet begun to fight. Ignatieff is vulnerable on any number of fronts—his latest book, with its fantastic, and fantastically expensive, musings about high-speed rail and four-laning the Trans-Canada and a "national energy strategy," has added several more—and the Tories still enjoy a wide advantage in fundraising and organization, notwithstanding recent Liberal gains.

Certainly there is no need for the Tories to panic. However excited the media may become at every squiggle in the polls, and whatever brave noises the Liberals might be making about defeating the government, there isn't going to be an election any time soon. Certainly not this spring, probably not next fall, quite possibly not until 2012. It isn't that the Liberals are bluffing, though they probably are—they can't possibly afford another election, so soon after the last. It is simply that the Liberals, on their own, aren't in a position to provoke one. To defeat the government, given current numbers in Parliament, requires all three opposition parties to vote together. Which means all three have to see it to their advantage to bring the government down, at the same time. Which almost never happens. The same surge in the polls that has the Liberals talking election has the NDP deathly afraid of one. Short of a total collapse in their own vote, the Conservatives can expect to be maintained in power by the divisions among their rivals, almost indefinitely.

And the one thing that would be most likely to precipitate such a collapse would be if Harper were to leave. If his leadership seems to set a ceiling on Tory support, his departure could very well knock out the floor. Not only is there no obvious heir apparent, but it is far from clear whether anyone else could hold the party together. More than anyone else, Stephen Harper built this party. Even today, he dominates it. It is hard to think of anyone else in the party who could preserve the still-fragile truce between the two factions, if only by sheer intimidation. No leader is indispensable, but he comes as close to it as any.

Harper has plenty of time to turn things around. If he can learn to temper his partisan instincts, to put aside the gamesmanship, to play instead to his strengths—his command of policy, his powers of persuasion, his sturdy self-assurance—and above all, to return to a steady, consistent approach to governing, there is no reason he cannot win the voters' confidence, if not their affection. He will never be loved. But leaders do not have to be loved to be successful.

And if not? If Harper fails to reach out, to grow, to change? Then that *would* leave the Conservatives in a predicament: can't win with him. Can't win without him. M

ON THE WEB: For more Andrew Coyne, visit his blog at **macleans.ca/andrewcoyne**

FOR THE RECORD

THE MAN SHEPHERDING OUR COUNTRY

"My initial assessment of Harper was proving to be depressingly accurate—supremely self-possessed, driven by the unassailable correctness of his path and the knowledge he knew at all times what was best. Not a team leader interesting [sic] in building and inspiring the team, he was rather a leader by virtue of his superiority."—Garth Turner, former Conservative MP, in his new book *Sheeple: Caucus Confidential in Stephen Harper's Ottawa*

MOUNTAINS OF YOUTH

Michael Ignatieff has recruited a cabal of irrationally eager twentysomethings

BY AARON WHERRY • He wore bow ties in university. It was something he picked up in private school, when wearing a long tie was required during the day and dressing up meant something different. In college, as a columnist for the student newspaper, it became a trademark. For that matter, it came in handy—at six foot six he has a hard time finding ties long enough that the skinny end slips neatly through the loop underneath the wide end.

For what it's worth, he thinks bow ties are "cool." And "whimsical." And Lester B. Pearson wore one, too. "I also don't think," he says, admonishing himself, "that I should ever, ever compare myself to Pearson."

Perhaps not. Though sitting in a coffee shop a few blocks from Parliament Hill, a place he often comes to write, speaking in a deep voice that seems incongruous with his baby face, it is difficult to say how Adam Goldenberg should limit his ambitions. He is, at present, writing speeches for the most celebrated public intellectual to ever seek leadership of this country. He is, on a daily basis, helping assemble the public words of the man who might be, if today's polls hold true, the next prime minister of Canada. And he turned 22 last week.

"I did not see myself doing this when I was in university," he says, less than a year removed from Harvard. "But if you'd asked me when I was in university what the coolest possible thing I could be doing a year out would be, this is the answer I'd give you."

Ottawa is a place that subsists on the young. Great hordes of twentysomethings in dark suits and skirts—the unnaturally ambitious, irrationally eager and ever willing. They fill offices and staff campaigns and scurry after cabinet ministers. In December 2006, the young disciples of Michael Ignatieff stood amid confetti and discarded signs in downtown Montreal, hugging and sobbing at the sudden end of their candidate's leadership run. Two and a half years later, they are in charge. Or at least in the vicinity of power.

Trevor Harrison, the legislative assistant helping plot question period strategy, is 22. Marc Gendron, the "chief technology officer," responsible for adapting the party of the 20th century to the realities of 2009, is 24. Gosia Radaczynska, the woman charged with "online strategic communications," the one talking about the "safe environment" they've found for creativity and innovation, is 26. David Ritchie, the guy plotting Ignatieff's travels, quoting Marshall McLuhan and enthusing about the design and purpose of town hall meetings, is 24. Each speaks with a certain reverence for the work and to the man they're working for—a man who must often seem to embody so many of the things that delight those too young to concede to cynicism.



ADAM GOLDENBERG. The man responsible for crafting Ignatieff's words turned 22 last week.

"The seeming sense of purpose probably comes from many or all of us knowing that we are, and have to act and prepare like, a PMO in-waiting," explains Harrison via email. "If we want to get to the next level, if we are going to win the next election and each help in our own way to make Michael prime minister, it all depends on how we work now, day after day. The example we set for ourselves and for each other isn't presumptuous, but it has to be expectant."

Paul Zed, the 52 year-old former MP acting as Ignatieff's chief of staff, volunteers to testify on his young charges' behalf and proceeds to speak in the sorts of tones for which emoticons have not yet been invented. "I have never seen a smarter, brighter, more dynamic group of Canadians in my life," he humbly observes. "They're phenomenal. They really are."

Perhaps. Perhaps not. Genius is fleeting and youth is abundant. There were bright, dynamic young Canadians who believed in Stephane Dion too. There are still bright, dynamic young Canadians who believe in Stephen Harper, Jack Layton, Gilles Duceppe, even Elizabeth May. For now though, Iggy's kids enjoy a unique moment. There is the possibility of something entirely new.

If there is an obvious curiosity it is Goldenberg, his head bobbing above the crowd as he walks through the foyer after question period. Growing up in British Columbia, the son of two doctors, he read Ignatieff's writing on human rights in high school and signed up for the Liberal party at 14. Having skipped Grade One, he left for Boston at the age of 17. His first seminar was at the Carr Center for Human Rights, then helmed by Ignatieff.

He became a columnist for the *Crimson*, Harvard's daily campus newspaper, penning sentences like "Harvard has long worked to ensure that America's ruling class hasn't been especially stupid" and tossing off words like "codswallop." After graduation, he went to Rome to work with the UN's World Food Programme. He returned to work with Ignatieff's local campaign in Toronto last fall and then, while contemplating law school, was convinced to stay and assist with Ignatieff's leadership campaign. When that became moot, Goldenberg came to Ottawa.

He is now the only full-time speechwriter Michael Ignatieff has ever had. "I don't presume to take credit, really, for what he says now because the ownership belongs to him. By the time he actually says it, I've helped shape the draft, I've helped organize some of the thoughts, I've helped come up with some of the lines, but when I do I don't venture far from what I've been given by him," he says. "If I were he, I would certainly be uncomfortable with somebody shaping my words when my words are what have defined me for my entire life. So I have to approach that with the utmost respect and reverence, deserved respect and reverence."

There is probably something unusual about someone so apparently smart speaking about politics in such tones. He is very much still the student, learning from Ignatieff's revisions and frequent ad libs, but studying too, he says, the words of John A. Macdonald, Wilfrid Laurier, Jean Chretien, Rene Levesque and Adrienne Clarkson. He sometimes talks and gestures like the man whose voice he must by now know better than his own. And in between repeated assertions of how "cool" it is to be doing what he does, he speaks in long, artful sentences of the sort you'd expect from a young man of his occupation. "My ambition has always been to sort of take whatever talents I have and to put them into the service of people who are trying to change the world," he offers at one point. And he seems very much to believe it.



IGNATIEFF'S PRESS OFFICE. Ottawa is a place that subsists on the young and ambitious.

Near the end of one conversation, he launches into a soliloquy of sorts—about walking to work and seeing the Peace Tower, about service and ideals and respect. Ignatieff, he says, stands against the cynicism that is so often everywhere else. "My day to day is motivated by that belief on his part and that I think everyone in our office shares, that sense of motivation," he says. "And that is something that I could not have imagined, perceptively, until I started doing it, started being a part of it. It's a really special thing."

He says so with all the bravery of a young man courageous enough to wear a bow tie in college. M

PHOTOGRAPHS BY JEAN MARC CARISSE

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Fresh blood for Alberta's right wing?

BY NICHOLAS KÖHLER • Last week, when Paul Hinman, the endearingly awkward leader of Alberta's conservative Wildrose Alliance party, announced that he'd step down, it triggered much breathless speculation. The party needed someone with a bit more charisma, admitted Hinman, who lost his seat in the legislature last year. Many believe that someone should be none other than Ted Morton, Alberta's Tory minister of sustainable resource development.

Morton is a strange hybrid of populist reformer and intellectual (he was a University of Calgary political scientist), and some say he could be just the thing to galvanize Alberta's conservative right. An avid hunter who likes getting his picture taken with his gun, he enjoys stirring the pot, whether by opposing gay marriage or pushing to revoke the hunting rights of Metis. It was Morton's run for the Alberta PC leadership in 2006 that split the vote and delivered the crown to Ed Stelmach. Stelmach has since turned off southern Alberta—and Calgary in particular—with both a hike in oil and gas royalty dues and the first deficit in 15 years.



SOME THINK Morton could be just what the Alliance needs

The Tories are now struggling to raise money in Calgary, and the Wildrose Alliance is benefiting as more dollars flow its way. A recent Hinman fundraiser packed the Calgary Petroleum Club, and in the 2008 election his party raised only marginally less than the Tories. Hinman argues that if right-wing Albertans want to contribute to a conservative party, "where else are they going to put their money?"

Hinman won't comment directly on who will next lead the Wildrose Alliance, saying only that "the political landscape is ripe for the picking." A Morton spokesman, meanwhile, says his office does not comment on "B.S. political rumours." But even if Morton doesn't make a bid for the Alliance, the buzz over just the possibility of it serves as a potent reminder that Alberta could soon embrace a political firebrand. And it could be one capable of doing real damage to the Tories. M

Hasidic high schools give up the fight



TORAS MOSHE allows a few hours of non-religious study each week

BY MARTIN PATRIQUIN • Since 1952, Montreal's Hasidic Yeshiva Toras Moshe high school has taught the ways of God and the Talmud to the exclusion of nearly everything else. Only five hours a week are dedicated to non-religious study. It has completely ignored several ultimatums from Quebec's Education Ministry to change its curriculum and, by doing so, has become the poster child for reasonable accommodation run amok.

Now, however, it looks like Toras Moshe may be altering its ancient syllabus once and for all. You might call it peer pressure: two other Hasidic schools that have been fighting to keep their curricula intact recently announced that they will conform to Quebec's education standards, and it looks like Toras Moshe may not be able to hold out on its own.

The Education Ministry recently gave Toras Moshe, as well as the Belz and Skver schools, until the fall to conform to provincial accreditation norms—meaning they must teach a minimum number of hours of non-religious subject matter. Belz and Skver, which are subsidized by the Quebec government, have both agreed to meet the government requests. Toras Moshe, which isn't subsidized, hasn't.

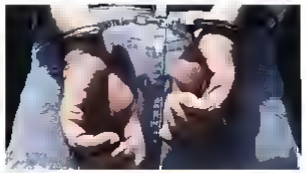
However, the school is in discussions with the province and will likely conform to the law once Belz and Skver have done so. School officials didn't return calls, but a community spokesperson told *Maclean's* that change is coming. "When the other two schools are settled, Yeshiva will begin negotiations," he said. "Toras Moshe wants to come to a deal. I don't know how, but we'll do it."

Alex Werzberger, a graduate of Toras Moshe and the ad hoc spokesperson for Montreal's 17,000-strong Hasidic community, isn't happy about the development. The Hasidic community, he points out, has managed to get this far without changing. "If it ain't broke," he says, "don't fix it." M

Three strikes, you're out in Leaf Rapids

BY KATE LUNAU • Just 540 people call Leaf Rapids home, but if Mayor Ed Charrier has his way, that number could get even smaller. He's considering a novel way to deal with disorderly locals in his northern Manitoba town: exile. Under a proposed municipal bylaw, anyone who breaks the law three times in a year could be banished. "It's three strikes, you're outta here," he says. There's just one thing standing in his way—the Canadian Charter of Rights and Freedoms.

The proposed bylaw, Charrier says, is an attempt to deal with "never ending crime and violence" in the town, which has been plagued by unemployment since the Ruttan Mine closed in 2002. The local RCMP detachment insists crime there is no worse than in any comparable town in northern Manitoba, but Charrier is unapologetic. "If you've been



LAND IN the drunk tank three times and you could be exiled

in my drunk tank three times in one year—you have to go for rehab or incarceration," he says. And "you're not coming back here till you do."

Such a bylaw would be unlikely to survive a court challenge, says Karen Busby, a law professor at the University of Manitoba. The Canadian Charter protects the right to live where you want, she says, and in 1997 the Supreme Court ruled against a bylaw in Longueuil, Que., requiring municipal employees to live in the city. Based on that decision, Busby says Leaf Rapids should get a Charter opinion before passing the law.

Charrier says he has no intention of doing so. Still, whether the "three strikes" bylaw would actually be used to kick miscreants out of town is open to debate. After all, Leaf Rapids has a history of introducing colourful (if somewhat symbolic) bylaws: in 2007, it put itself on the map by becoming the first Canadian municipality to ban plastic bags. Next up? Canada's first bylaw allowing golf carts on city streets. "You couldn't use them in winter," Charrier admits. Other than that though, "they're just so practical." M

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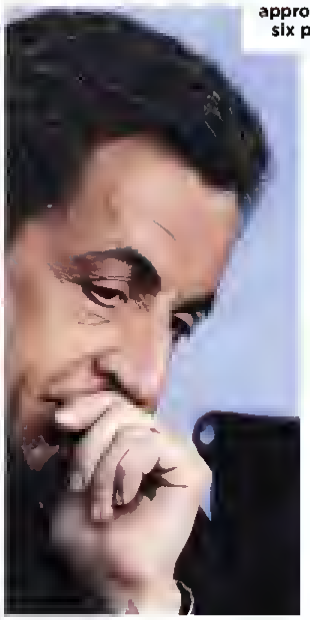
WHO MEASURES UP?

Why some leaders' approval ratings keep rising, and not others

BY JONATHON GATEHOUSE • In 1992, Bill Clinton pushed George H W Bush from the White House by focusing his campaign on a simple reality: times were tough and voters were looking for someone to blame. "It's the economy, stupid," read the legendary sign affixed to the walls of his Little Rock, Ark., headquarters. But a decade and a half later, amidst a much more severe global downturn, polls suggest the link between the recession and removal from office is no longer quite so automatic. The only world leaders who are in trouble now seem to be the ones people weren't so hot on in the first place.

South of the border, where the economic crisis started and is being keenly felt, President Barack Obama is basking in a 69 per cent approval rating, up three points from last month, according to a new *Washington Post*/ABC News survey. And despite the plethora of domestic and foreign challenges, 48 per cent of Americans now say their country is headed in the right direction, the highest number since the beginning of 2004, reports the Associated Press. In Australia, support for Kevin Rudd, elected in November 2007, remains high—68 per cent according to the latest poll, up five points since late March. The story is the same in Germany, where Angela Merkel's conservative Christian Democrats are holding steady at 35 per cent, while support for her main rival, the leftist Social Democrats, is tumbling. In France, where the Great Recession has sparked massive street protests and a sharp uptick in "boss-nappings," 48 per cent of voters nonetheless report a positive opinion of President Nicolas Sarkozy, up six points in a month. And Silvio Berlusconi, the gaffe-prone Italian prime minister, has the confidence of 56 per cent of the electorate, according to the latest poll, up four per cent.

SARKOZY 48% approval, up six points

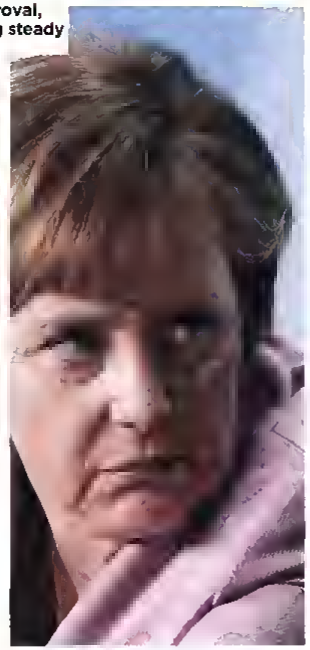


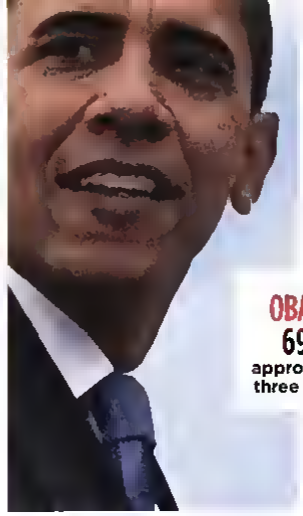
It's a trend in popularity numbers that seems counterintuitive, given the worldwide reality of massive layoffs and hard-hit retirement savings, but one that suggests people aren't lying when they tell pollsters they perceive the current crisis as something largely beyond the control of their own national governments. "European voters may not understand the inner working of EU monetary policy, but they do seem to grasp that holding governments accountable for economic outcomes today, like we did five years ago, may no longer make sense," says Carol Mershon, a specialist in comparative politics at the University of Virginia.

In a time of global recession, therefore, the old adage that all politics are local is more pertinent than ever. Obama delivers large dollops of the hope Americans crave, while simultaneously dampening their expectations. Merkel profits from her reputation as a steadying influence on Germany's sometimes shaky coalition government. Sarkozy, a polarizing figure, has bolstered the confidence of his own supporters by appearing more decisive at home—last week unveiling a billion-euro youth job scheme to counter soaring unemployment among people under 25—and on the world stage. And Berlusconi just continues to be Berlusconi, as media savvy as he is outrageous. "He's the Teflon man," says Mershon. "How many leaders have been convicted of crimes and then returned to office by the voters?"

There are exceptions, of course. Or perhaps more accurately, places where the economic downturn has hit so hard that forgetting and forgiving is simply not an option. Voters in Iceland, where the entire banking system collapsed in October, turfed the conservative Independence Party from office last week, bringing an end to the party's 70-year grip on power. (Awfully hard to blame your predecessors.) Ireland, where the economy was once lauded as the "Celtic Tiger," has seen unemployment double in a year, the property market melt down, and its projected deficit balloon to almost 11 per cent of GDP, the largest in the EU. Consequently, the popularity of Prime Minister Brian Cowan's Fianna Fail party is plummeting, down five points in a month to 23 per cent. (They won the 2007 general election with 42 per cent of first-preference votes.)

MERKEL 35% approval, holding steady



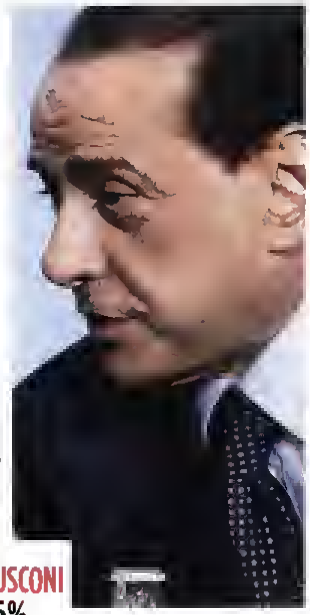


But more often, world leaders whose political fortunes are actually in decline seem to have only themselves to blame. The U.K.'s Gordon Brown was on the ropes long before the current crisis, with his Labour Party consistently trailing the Conservative opposition since January 2008. In fact, his public approval ratings have actually marginally improved—around 20 per cent currently—up from 17 per cent last summer when his government was rated the least popular Labour administration ever. "The general feeling at the moment is that the Labour Party are stuffed," says John Curtice, a professor of politics at the University of Strathclyde in Glasgow. The Tories and their dynamic young leader David Cameron have a 20 point lead, according to the latest polls, and an election must be called by May 2010. And in a strangely familiar scenario for Canadians, Brown, once lionized for his acumen as the minister in charge of the nation's finances, is now viewed as a dithering and ineffectual prime minister. "He is not somebody who finds it easy to communicate with the wider public," says Curtice. "He lacks Tony Blair's charisma, and he's really not that good at thinking on his feet."

OBAMA 69% approval, up three points

Back home in Canada, it appears that Stephen Harper might be suffering from a similar political disease. Opinion surveys consistently give his Conservative government decent if not extraordinary marks for its handling of the economic crisis (six out 10 Canadians said "C" or above in one recent poll.) Yet just six months after leading his Conservatives to a second minority victory, the Prime Minister has seen his party's popularity slide. As recently as January, the Tories enjoyed a four-point lead over the Liberals. But a spate of new surveys suggest that advantage has dissipated, and the momentum is now all the opposition's. Last week, a Harris-Decima poll put national support for the Liberals at 33 per cent, versus 29 per cent for the Tories (the NDP was third at 16 per cent). Earlier in the month, Ekos reported the split as 36.7 per cent for the Liberals, 30.2 per cent for the Conservatives, and 15.5 for the NDP.

BERLUSCONI 56% approval, up four points



BROWN 20% approval, up three points



But the more worrying figures for Harper are surely the measures of his plunging personal credibility with voters. Efforts to dress his cold fish persona up in a comfy sweater during the last campaign never really worked. And an Angus Reid survey, released this past weekend, had one-third of Canadians saying their opinion of the Prime Minister has "worsened" in the past month. It also pegged Harper's "momentum score"—an amalgam of feelings about qualities like trustworthiness, vision, and decisiveness—at -20. Michael Ignatieff, in comparison, scored +11 on the same series of questions, with 27 per cent of respondents saying their opinion of him has improved in the past 30 days. Twenty-four per cent now say the new Liberal leader "would make the best prime minister," moving him into a tie with the man who actually holds the job.

"Sometimes it's not about the issue, but how you handle the issue," says Antonia Maioni, director of McGill University's Institute for the Study of Canada. Voters aren't unhappy with the economic stimulus package that the government ended up adopting, but they do fault the Tories for initially failing to grasp the seriousness of the situation. "They didn't get it until they were forced to," says Maioni, pointing to Harper's musings on the hustings about "good investment opportunities," and the chop-and-freeze economic plan that almost triggered an election last December.

The way forward for the Conservatives is also becoming more difficult to plot. While they continue to dominate the Prairie provinces, their fortunes are waning in seat-rich Quebec, Ontario, and British Columbia—the key battlegrounds in the next election. For example, in La Belle Province, where Tory strategists once hoped to find enough support to lift them to a majority victory, the party is now running a distant third behind the Bloc Quebecois and the Liberals, polling at just 12 per cent. And the hopes of recovery—at least under the current leadership—appear dismal.

But at base, the Prime Minister's biggest challenge may now be geography. "Harper's real problem is that he suffers from a too close comparison to Barack Obama," says Maioni. Having to measure up against the world's most popular leader is not an easy task. Maybe it's time to borrow some hope. M

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AL-QAEDA IN NORTH AFRICA

The gang that kidnapped Bob Fowler has global designs

BY MICHAEL PETROU • Osama bin Laden's right-hand man, Ayman al-Zawahiri, had high hopes for the African Islamist group that held Canadian diplomats Robert Fowler and Louis Guay captive for months before releasing them along with two tourists last week. Earlier this decade, violent Islamism was floundering in North Africa. Government crackdowns and amnesty programs in Algeria had weakened the once-powerful Salafist Group for Preaching and Combat, an offshoot of the Armed Islamic Group, whose murder of civilians had already dried up much of its popular support.

And so, like a struggling independent business looking for ways to stay afloat, the Salafist Group for Preaching and Combat sought out the patronage of a wealthier and more powerful terrorist conglomerate: al-Qaeda. The first messages seeking an alliance were sent to Abu Musab al-Zarqawi, al-Qaeda's deputy in Iraq. This was a natural partnership, as hundreds of North African Islamists were already joining the jihad against American forces there. In June 2005, U.S. Central Command claimed that up to 25 per cent of suicide bombers in Iraq were North Africans, mostly Algerians. But the North African Islamists in the Salafist Group for Preaching and Combat were also looking to partner with al-Qaeda's central branch, headed by bin Laden and likely located in Pakistan.

In June 2006, an Islamist strategist named Azzam al-Ansari—who has been identified by a confidential source with connections to American intelligence agencies as a Saudi national and al-Qaeda affiliate who spent time in Afghanistan during the Soviet occupation—published an online article describing Africa as an "unexplored gold mine for global jihad." A few months later, on the anniversary of the 9/11 attacks, Zawahiri announced the formal alliance of al-Qaeda and the Salafist Group for Preaching and Combat. He prayed that the North African group, which soon adopted the name al-Qaeda in the Islamic Maghreb (AQIM), would be a "thorn in the neck of the American and French crusaders and their allies, and an arrow in the heart of the French traitors and apostates." Zawahiri also asked God to help his North African allies "hit the foundations of the crusader alliance, primarily their old leader, the infidel United States."

For a time, it appeared as though al-Qaeda's newest franchise, which operates in half a dozen countries across the vast, sparsely populated and poorly governed Sahel region of North Africa, would live up to Zawahiri's expectations. Members expanded their attention to international targets, murdering French tourists in Mauritania and bombing a United Nations building in Algiers. In early 2008, AQIM attacked the Israeli Embassy in Nouakchott, capital of Mauritania—all this in addition to ongoing assaults against Algerian government and military targets.

The group's public pronouncements also took on the themes and rhetorical flourishes of international jihad, most notably as AQIM leader Abu Musab Abdel Wadoud pledged his loyalty to Osama bin Laden. "Our beloved sheik and commander, only God knows how much we miss you, and how hard it is for us to be far from you," he said in a January 2007 speech that was distributed on the Internet. "In the name of God, if we could be carried by birds, we would come to you. We remember you in our hearts and visualize you in our minds. We ask God to reunite us, after missing you for so long." He went on in this vein for some time.

Western intelligence agencies were duly concerned. The Armed Islamic Group had carried out a number of bombings and an attempted hijacking in France during the 1990s. The Madrid bombings of March 2004 were executed largely by Moroccan immigrants, including at least one member of the Moroccan Islamic Combatant Group. Now, North African Islamists were gathering under the umbrella of an al-Qaeda franchise with an explicitly international agenda. "There is no doubt that the extension of what one might call the al-Qaeda franchise to other groups in other countries—notably in Algeria—has created a significant upsurge in terrorist violence in these countries," said Jonathan Evans, director general of MI5, Britain's domestic security service, in a November 2007 address to journalists. "This sort of extension of the al Qaeda brand to new parts of the Middle East and beyond poses a further threat to us in this country because it provides al-Qaeda with access to new centres of support, which can motivate and exploit, including in its campaign against the U.K."

But for all their professed solidarity with jihadist insurgents from Iraq to Chechnya, AQIM militants of late have appeared more like members of a desert biker gang than vanguard holy warriors poised to restore an Islamic caliphate across the Middle East. They are deeply involved in smuggling, credit card fraud, and car theft. Kidnapping of foreigners is also a priority. Fowler and Guay might have been their most high-profile victims, but there have been many more. At least two European tourists taken by AQIM are still captive.

Kidnapping foreigners arguably advances AQIM's Islamist political aims by driving out foreign investment and thereby weakening the supposedly apostate governments the group is hoping to overthrow in the region. But money appears to be a prime motivator behind the practice. Most AQIM kidnappings of foreigners end with large ransoms being paid and released captives, rather than in gruesome beheadings that are filmed and then posted on the Internet, as was often the case in Iraq.

Dell Dailey, coordinator for counterterrorism at the U.S. State Department, has claimed that AQIM is so engaged in financial crime because it has been largely cut off from al Qaeda's central branch and a source of money and recruits. J. Peter Pham, an Africa specialist at James Madison University who consults regularly for the U.S. and other governments, agrees that AQIM is suffering from a lack of funds and fighters. "It has taken some hits in the last year. It is on the defensive and seeking resources," he said in an interview with *Maclean's*. "The Algerians really ramped up operations against them. Algerian government forces took a lot of casualties, but so did AQIM. And as a result, AQIM is much reduced in numbers." Separately, the Moroccan government has rolled up much of AQIM's financing. "They need to regroup and rearm," Pham says.



ABDUCTION AND RANSOM HAVE BECOME A SOURCE OF REVENUE, AND A WAY TO DESTABILIZE REGIMES THEY WANT TO OVERTHROW



AFP; LOUAFI LARBI/REUTERS

FOWLER and Guay after their release (opposite); Zawahiri (above); bombing in Algiers

Kidnapping has been lucrative. In 2003, when AQIM was still calling itself the Salafist Group for Preaching and Combat, it kidnapped 32 European tourists travelling in the Algerian Sahara. Algerian commandos freed 17 in a raid. One hostage died in captivity, apparently of heat stroke. Estimates regarding the amount of money paid in ransom for the release of the remaining 14 hostages top $10 million. A precedent was established that has been difficult to break. Two Austrian tourists were released by AQIM late last year after some eight months in captivity. Their kidnappers demanded a ransom, which Austria denies paying despite reports to the contrary.

Fowler and Guay were in Niger on a UN mission to mediate between the government and armed rebels. Tuaregs, indigo-robed nomadic herders who thrive in the harsh Sahara desert, have been fighting for more autonomy in the north of the country. It is believed that Fowler and Guay were initially captured by Tuareg tribesmen, who then sold them to al Qaeda in the Islamic Maghreb. They were seized at a spot a short drive from the Niger capital, Niamey, in what is generally considered a safe area of the country where AQIM does not operate.

"The Tuaregs, who don't have the international cachet and resources to negotiate, will capture Westerners, and the Tuaregs will then sell the prisoners to AQIM, which, because of its name brand, its links to terrorism, and the fear that it excites, will command a higher ransom," says Pham. "It's a win-win proposition for both sides." Some of the Tuaregs who engage in kidnapping are simple criminals, Pham says. Some have political grievances of their own with the governments of Mali and Niger. And sometimes it's difficult to tell the difference.

Pham, who has close contacts with senior members of the governments and security services of both Mali and Niger, says that money and prisoners were at the heart of negotiations for the release of Fowler and Guay as well. Pham has not been in touch with his sources in Mali and Niger for a few weeks, but he says he had a good window into the state of negotiations at the time between Canada, the United Nations, Mali, Niger, and the kidnappers.

The parties were at an impasse, Pham says. Canada and the United Nations refused to pay a ransom to AQIM. The kidnappers wanted the governments of Niger and Mali to release AQIM prisoners in their custody. And Niger and Mali were reluctant to release prisoners without getting something in return. Pham has no proof, but he suspects some sort of "package deal" was struck that would see Mali and Niger receive some sort of political or financial compensation in exchange for releasing prisoners to AQIM, which would then free Fowler, Guay, and the two European tourists.

He notes that European governments have been willing to cough up ransoms for their captured nationals in the past, and he suspects Germany and Switzerland might have done so in this case as well, perhaps with the understanding that the payment would unofficially cover the ransom demanded for Fowler and Guay, thereby leaving Canada able to say it did not pay for their freedom. According to the Algerian *El Khabar* newspaper, an unnamed European country paid about $8 million following a "complex deal" to release the hostages.

Prime Minister Stephen Harper has denied paying a ransom, and Kory Teneycke, the Prime Minister's press secretary, told *Maclean's* Canada did not make any concessions to the governments of Mali and Niger to persuade them to exchange prisoners with al-Qaeda. "The government of Canada did not give any money or considerations as part of a deal to get these two hostages released," he said.

Even if AQIM profited financially from the kidnapping of Fowler and Guay, Pham cautions against imagining that the group is morphing into nothing more than a criminal enterprise. Yes, AQIM is engaged in fraud, extortion, and petty crime. But getting the money is a means to an end, rather than an end in itself, he notes. "The group itself, the core group, remains committed to its ideological roots, as well as its objective of overthrowing the governments of Algeria and other Maghrebi states," he says.

According to AQIM's leader, Abu Musab Abdel Wadoud—who is also known as Abdelmalek Droukdel, the group's commitment to jihad extends far beyond North Africa. "We see that it's our duty to join al-Qaeda so that we can have our fight under one flag and one leadership in order to get ready for the confrontation," he said in an audiotape in response to questions sent to him by the *New York Times* last summer.

Wadoud listed a litany of offences he believes have been committed against Muslims by the "Jew crusader ally," in Gaza, Jerusalem, Iraq, Afghanistan, and Somalia, and he promised to fight back. "If the U.S. administration sees that its war against the Muslims is legitimate, then what makes us believe that our war on its territories is not legitimate? Everyone must know that we will not hesitate in targeting it whenever we can and wherever it is on this planet."

Despite forays into the grubby business of racketeering and extortion, al-Qaeda in the Islamic Maghreb has global ambitions. Whatever Robert Fowler and Louis Guay's kidnappers got in exchange for freeing the Canadians, they're not going to disappear into the desert. We'll hear from them again. M



FUELLED by the recession and the immigration debate, the extreme right in general is growing

CAMPUS RADICALS

The far right is gaining a foothold in U.S. universities

BY RACHEL MENDLESON • United States college campuses, which in the '60s gave rise to a generation of civil rights activists and anti-war protesters, are not traditional launching pads for the far right. But this year, chapters of Youth for Western Civilization (YWC), which stands opposed to "radical multiculturalism, political correctness, racial preferences, mass immigration, and socialism," have spread to eight campuses—evidence, say experts, of a growing fringe movement.

In fact, buoyed by the economic downturn, the election of a black, liberal president and a strong undercurrent of nativism, right-wing extremism in general is gaining traction. But even before the U.S. economy tanked, the far right was ramping up. According to the Southern Poverty Law Center (SPLC), between 2000 and 2008 the number of hate groups ballooned from 602 to 926. Project director Mark Potok says immigration from Mexico "has clearly been the biggest driver." (Immigration debates have also been credited for the rise of right-wing populism in Europe, and xenophobic violence in Russia.) Along with cadres of neo-Nazis, Potok says extreme nativist groups like the website Vdare, tellingly named after Virginia Dare, the first white baby born in the English colonies, are being "aided and abetted by people in positions of power." (A lengthy archive of former presidential adviser Pat Buchanan's writings can be found there.)

On campuses, the far-right movement can also be explained by the stinging defeat of Republicans last November. Increasingly, says Brian Levin, director of the Center for the Study of Hate and Extremism in California, right-wing college students "feel both personally and socially disenfranchised." Washington, D.C., student Kevin DeAnna, who founded YWC last fall, echoes this sentiment. "I'm just sick of seeing conservatives being pushed around." At the same time, says Levin, violence from the left, such as that which prevented virulent anti-immigration lobbyist Tom Tancredo from speaking at a recent YWC event, fuels "an undercurrent of resentment that allows some of the worst demagoguery on the right to take root."

How real a threat the burgeoning far right poses remains to be seen. As Chip Berlet, co-author of *Right-Wing Populism in America*, points out, while "radical ideology and violent methodology sometimes intersect, they sometimes don't." DeAnna denies that his call to preserve "Western heritage" has racial undertones ("We have a black [member] at MIT," he told *Maclean's*). Still, the SPLC says this new group is one it will be watching closely. M

THE ISSUE IN...

IRAN: BANNED ISRAELI ORANGES

Stunned Iranian officials have launched an inquiry into how "suspicious" oranges bearing stickers from Israel—the nation's arch-enemy—found their way into Iran. Reports say the oranges were packed in boxes with a "Made in China" sign and shipped through neighbouring Dubai. Israel denies the oranges are theirs, saying the stickers marking them as "Jaffa Sweetie Israel PO" might have been faked in China.

Younger son gets Dear Leader's nod

BY SUSAN MOHAMMAD • Since reports began surfacing that North Korean dictator Kim Jong Il suffered a stroke in August, speculation has run rampant as to who might succeed him. Both of his elder sons have been seen as prime contenders for the top job, and both have since fallen out of favour. Now the youngest son of "Dear Leader" has been appointed to the Defence Commission, and all eyes are on Kim Jong Un.

South Korea's Yonhap News Agency reported this week that Jong Un, who is in his mid-20s, was recently given a job at what is considered North Korea's most important government office. Not much is known about Jong Un (including his exact age), except that he has little political experience, was educated in Switzerland, likes basketball, admires Jean-Claude Van Damme and is said to look and act like his father.



KIM Jong Un now works for North Korea's top government office

Previously, the Korean leader's 37-year-old eldest son, Kim Jong Nam, was the favourite to take over. But he was disgraced when he was caught using a fake Dominican passport to get into Tokyo's Disneyland in 2001, and subsequently told reporters that he had "no interest" in taking on the leadership job.

Political analysts then shifted their attention to Kim's second son, Kim Jong Chol, who is 27. But his succession was called into question when a former chef in the Kim household's kitchen revealed in a memoir that the leader considers his second son "girlish." Reports from South Korea and Japan also say that Jong Chol is chronically ill.

That leaves Jong Un as the most likely to take over—at least for now. But "Jong Il's history has been to keep everyone off balance," warns John Ishiyama, a political science professor at the University of North Texas. "This could just be another effort to consolidate power by choosing the person least likely to challenge him." M

Calais says goodbye to the Jungle

BY PATRICIA TREBLE • French Immigration Minister Eric Besson has promised that a ragtag migrant camp in Calais known as the Jungle will be shut down by the end of the year. The squatter camp—which is becoming an international embarrassment for France—is home to around 700 men desperately searching for a way across the English Channel to Britain. "We can't let it be said that smugglers and human traffickers are above the law," Besson said last week. "The law of the jungle will no longer rule here."



MIGRANTS ARE camping out in Calais for a ride to Britain

Local businessmen complained that the migrants, who pitched their homemade tents on a sandy piece of woodland near an industrial area, have become a threat to local workers. "They've become a lot more aggressive," said Dominique Vanneste, a chemical plant executive, who talked of staff being attacked, as well as "the use of iron bars."

The encampment is about 500 m from a staging lot for trucks crossing the Channel on ferries. Migrants pay up to $3,000 to guides who promise to hide them on trucks bound for Britain or bribe drivers to carry them, explains Sylvie Copyans of Association Salam, a local charity that provides the squatters with food and care. Given the money involved, the migrants—largely from Afghanistan, Iraq and Iran—are often professionals, and many speak English, so they believe it will be easier to find work in Britain than in France.

But increased security has meant that some now wait months, rather than days, to cross the Channel. And many are getting caught. In the first three months of 2009, more than 1,000 migrants were seized inside the port of Calais itself, double the previous year. Adding to their woes, France is stepping up expulsion efforts, with nearly 30,000 foreigners expelled in 2008 for lacking visas.

Still many, including Calais' mayor, are doubtful that simply closing the camp will accomplish anything. In 2002, President Nicolas Sarkozy, then interior minister, shut a big migrant camp in nearby Sangatte. The result? The migrants simply relocated to Calais, where they established the Jungle. M

'Close at 5' judge in hot water again

BY PATRICIA TREBLE • Sharon Keller, the Texas judge who wouldn't keep her court open for even a minute past 5 p.m. so a last-minute appeal could be filed by a man on death row, is a step closer to losing her job.

On Monday, a Texas legislative committee heard testimony on a bill that, if passed, would impeach Keller, chief justice of the Court of Criminal Appeals, for "conducting her official duties with willful disregard for human life." The bill is a response to her September 2007 decision to lock the doors of her court promptly at 5 p.m., thereby refusing the lawyers of death row inmate Michael Richard time to file a last-minute appeal. His lawyers had called at 4:45 p.m. to explain they were running late after having computer problems. Richard was executed that night.

Keller's decision, which wasn't relayed to fellow judges who were waiting to rule on the expected appeal, shocked even Texas, a death penalty stronghold. In February the state commission on judicial conduct laid five misconduct charges against her, including incompetence. Last week 24 legal ethicists filed a brief with the state commission that called for her removal from office. Keller has denied the charges, and the case will go to trial on Aug. 17.



KELLER locked the doors and missed a death row appeal

The judicial and legislative cases aren't her only problems. After Keller asked the state to pay her "financially ruinous" legal bills, the *Dallas Morning News* revealed that she hadn't disclosed US$1.9 million in real estate assets as legally required. A watchdog group has since filed a criminal complaint about the omission with a district attorney.

There are also reports of an eerily similar locked door incident involving Keller in January. In this case, lawyers for murderer Larry Swearingen arrived at the court clerk's office at 5:01 p.m. on a Friday to be told their appeal wouldn't be registered until the following Monday, so they would miss a crucial filing deadline. According to the *Morning News*, Keller was informed of the rejection. Only after Cheryl Johnson—one of the judges who had waited for the Richard appeal that never came in September 2007—personally intervened did the court accept the filing. M

SCOTT OLSON/GETTY
GETTY CP

GLUTTONS AT THE GATE

How CEOs became obscenely overpaid, and what can be done about it

BY DUNCAN HOOD

It was a bitterly cold February morning in Toronto just over a year ago when Gary Hawton witnessed a miracle. As CEO of Meritas Mutual Funds, a socially responsible investing company in Kitchener, Ont., he had been watching executive pay levels surge from generous to ridiculous over the last 15 years, and he'd had enough. As of 2007, the collective compensation of Canada's 100 best-paid CEOs had crashed through the billion-dollar mark, and average individual pay packages were topping $10 million apiece. As a professional investor, Hawton knew that most CEOs were simply not worth that kind of money.

He sent letters to all the big Canadian banks asking them to allow shareholders to vote on CEO pay packages. He spoke out at shareholder meetings and talked up the issue to the press. At first, he was completely ignored. But Hawton, a former investment banker raised with strong Christian values, is a bit of a crusader. So last year, he decided to try a different strategy. He would introduce a shareholder's motion that, if passed, would pave the way for a vote on executive pay whether the banks liked it or not. He knew it was a long shot. He knew it would take at least two years, quite a lot of money and infinite reserves of patience. He also knew that his mission would quite likely make him the financial world's Don Quixote.

Lone investors generally don't stand a chance when taking on entrenched corporate directors. But lately it has begun to seem that maybe, just maybe, the executive compensation windmill was ready for a fall. As the recession drags on and real suffering sets in among working Canadians, mind-boggling pay packages for CEOs have triggered a palpable rage in the public and considerable uneasiness among the lucky few in the top tier. The Canadian Centre for Policy Alternatives recently calculated that after a bit more than a day of work, the average top 100 CEO has already earned more than the average Canadian worker will earn in a full year.

It's not just the absolute amounts that are head-spinning, it's the rate of increase. Between 1998 and 2007, after accounting for inflation, the average weekly wages and salaries of regular Canadian workers actually declined by a few percentage points. But real pay for the best-paid CEOs in the country exploded by about 145 per cent. By 2007, CEOs were making an incredible 259 times the pay of the average worker. "At what point does it stop making sense?" asks Hawton. "Is it really possible that someone is truly worth that amount? Is the average CEO really contributing 259 times more to the company than the average worker?"

That question was very much on his mind as Hawton sat in a ballroom at the plush Fairmont Royal York hotel in Toronto for CIBC's 2008 annual shareholders meeting. He had a motion on the ballot asking the bank to give shareholders a non-binding say on executive pay, and if he managed to get six per cent of the shareholders to go for it, he could come back with a second motion in 2009. But when he tabled his proposal, there wasn't exactly a groundswell of support. No other investors called to say they were onside, and CIBC's directors made it clear they were dead set against it. "I remember sitting there and having no idea what the level of support for it would be," Hawton says. As he waited for the results, he turned to the person next to him and nervously asked, "So, do you think we'll get six per cent?" And then he heard a number that floored him. 45 per cent of the shareholders had supported his motion.

A year later, he flew to Vancouver for the follow-up vote at CIBC's 2009 annual general meeting. Again, he enjoyed stunning success. A full 53 per cent of voters supported the second motion, finally allowing shareholders to have what's called a non-binding "say on pay." As he says, to win a motion that the board opposes is unheard of. "I can't think of a time when I've seen it happen in Canada," he says. "Ever."

CIBC was just the first to fall in line. Within a month, every one of Canada's big five banks had announced that they would allow say-on-pay votes—lest they be forced into it by shareholders. Since then, corporations such as TMX Group Inc. and Potash Corp. have adopted similar motions. SunLife Financial has announced it will adopt the policy soon, as has Bell Canada parent BCE. Manulife, which at first took an "over my dead body" approach to the issue, suddenly changed its mind a couple of weeks ago and will allow a vote on executive pay next year.

It's gotten to the point where even the CEOs themselves are admitting that they make too much. For years, boards have defended their sky-high salaries by arguing that they're based on complex formulas tied to the performance of the company. But earlier this year, the bank bosses looked around at the faces of angry shareholders and threw all that out the window, rejecting the board's carefully engineered figures and setting their own pay at much lower levels. Dominic D'Alessandro, Manulife's CEO, did a similar about-face just weeks ago. When critics first asked him to consider returning some of the $15 million payout he was to get for his last five months of work this year before he retires, he said, "I'm not given to self-serving gestures." Then, just weeks ago, he suddenly changed his tune, announcing that he'll defer 80 per cent of that pay in a scheme that could see him lose it altogether unless Manulife's stock, which has been cut in half since last year, rebounds considerably.

Diane Urquhart, an independent financial analyst and shareholder advocate based in Mississauga, Ont., says that CEOs such as D'Alessandro are genuinely surprised at the outrage they provoke, because they truly believe they deserve their windfalls. "An intense greed has seeped into the upper echelons for corporate society, and these CEOs have lost touch with reality," she says. "They do think they're entitled, and all the people that they surround themselves with are of a similar mindset. So there's no one there to put the brakes on that psychology." Still, she adds, "There are now some slivers of hope that people are beginning to push back."

The question is whether the impulse for change will last. Investors have grumbled about fat executive paycheques for years, even as the payouts have accelerated. But these are not typical times, and thanks to outrageous bonuses given to executives at AIG, Fannie Mae, and other large American firms, executive pay is now a political issue on the international stage. In the U.S., President Barack Obama is talking of placing caps on executive pay, while some economists are even blaming executive greed for fuelling the worldwide economic meltdown. A few scattered Don Quixotes may have triggered a global reform movement, aimed at turning back the clock on executive pay by decades.

Executives have always been well-compensated, but the era of celebrity CEOs and obscene wealth is a relatively new phenomenon. Ironically, the explosive inflation in executive pay can be traced to two regulatory changes introduced almost 15 years ago, with the aim of *protecting* investors, says Christopher Chen, a compensation consultant with the Hay Group.

The first change was to begin publicly disclosing executive pay. It used to be that CEO pay rates were kept under wraps, so consultants like Chen would make educated guesses on what other CEOs were making, then advise their clients on an appropriate rate. "It was a black-box art," he says. But in the mid '90s, as stock prices started to balloon, so did CEO pay. In an effort to keep it under control, regulators in the U.S. and Canada began demanding that companies disclose how much top executives were pocketing. Soon after that, the U.S. also removed the tax-exempt status of executive pay over US$1 million. Both moves were intended to curb skyrocketing pay, but they achieved precisely the opposite effect.

Making CEO pay public led to the "Lake Wobegon effect," says David Lynn, a U.S. partner at international law firm Morrison & Foerster. Named after the fictitious town of Lake Wobegon from the American radio series *A Prairie Home Companion*, where "all the women are strong, all the men are good-looking, and all the children are above average," this effect describes the natural human tendency to rate ourselves above the pack.



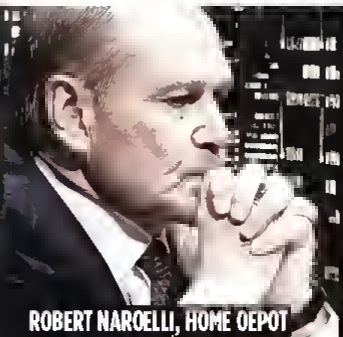
MICHAEL SABIA, BCE
THE PACKAGE: $21 MILLION
How did he earn it? When Sabia took over BCE in 2002, its stock was struggling in the mid-$20 range. He was hired to fix things, but when his planned privatization fell apart, the stock plunged right back down to where it was when he took over.



ROBERT PRICHARD, TORSTAR
THE PACKAGE: $9.6 MILLION
How did he earn it? During his tenure, Torstar's stock fell by two-thirds and the company recently announced that its dividend will be slashed in half. Just after a large quarterly loss and writedown were announced, it was revealed that Prichard would be leaving with $9.6 million.



TOM PARKINSON, HYDRO ONE
THE PACKAGE: $4.8 MILLION
How did he earn it? Parkinson left after scathing criticism of his billing practices from Ontario's auditor general, but he still managed to pocket $4.8 million on his way out, including severance of $3.3 million and $1.5 million in salary and other payments.



ROBERT NARDELLI, HOME DEPOT
THE PACKAGE: US$210 MILLION
How did he earn it? Nardelli was lured to Home Depot with a promise that he'd get 90 per cent of his pay no matter how poorly the company did. He resigned in 2007 after years of slowing profits, and still got one of the largest packages ever awarded.



RICK WAGONER, GENERAL MOTORS
THE PACKAGE: US$23 MILLION
How did he earn it? In March, when Wagoner was forced out of GM's CEO office after eight years on the job by the Obama administration, he left it teetering on life support. That didn't stop him from driving off into the sunset with a pension package worth roughly US$23 million.



STANLEY O'NEAL, MERRILL LYNCH
THE PACKAGE: US$161 MILLION
How did he earn it? Under O'Neal's leadership, Merrill delved deep into subprime mortgages. When the market crashed and Merrill reported a quarterly US$2.2-billion loss, he left with about US$161.5 million in stock options and retirement benefits.

CHRISTINNE MUSCHI/REUTERS; NATHAN DENETTE/CP; FRANK GUNN/CP; SUSAN WALSH/AP; REX FEATURES/CP

Since the boards of directors at most companies like to think that their CEO is "above average," it only seemed fitting that their CEO's pay should be above average too. Unfortunately, when every company pays its CEO an above-average salary, that average starts to move up in a hurry. In other words, says Chen, "the rising tide lifted all boats." According to the International Institute for Labour Studies, in just the four years between 2003 and 2007, CEO pay in the U.S. shot up by 45 per cent.

A huge amount of that inflation was rooted in the rise of stock options. When the government removed the tax exempt status of cash payouts over US$1 million, corporate boards shifted the majority of executive pay from cash to options. This was initially seen as a good thing. If a company did well, then its stock price would go up and the options would be worth more. But while it sounded good in theory, Lynn says that in practice it led to CEOs pumping the next quarter's results at all costs, even if it meant fudging the numbers. "It had the unfortunate effect of causing scandals like WorldCom and Enron and all these major meltdowns that resulted from executives being focused on trying to boost their stock price," he says.

As companies moved from cash compensation to increasingly elaborate pay structures, the true level of pay became ever more difficult to grasp. Today's packages generally include base pay, stock options, restricted shares, annual bonuses, special bonuses, golden handshakes, golden parachutes and accelerated supplemental pensions. Lynn says that sometimes not even the boards of directors who set the pay levels know what they're on the hook for. "Compensation decisions are typically made piecemeal," he says. "At one meeting they might make the decisions as to equity grants, and then six months later they might make the decisions on performance goals for an incentive plan, and then at another meeting, they'll discuss salary." At every one of those meetings, the total pay package tends to get fatter.

The shareholders are supposed to act as the safety valve on all of this. If executive pay gets out of hand, then as the ultimate owners of the company, shareholders have the power to vote out the board of directors. However, Stephen Griggs, executive director of the Canadian Coalition for Good Governance (CCGG), which represents institutional investors controlling about $1.3 trillion, says the system for electing those boards doesn't resemble anything most people would call democracy—unless you happen to be Kim Jong Il. "The main problem is that the vast majority of boards will have a nominating committee that sets a slate of directors," he says. "And shareholders then either vote for that slate in its entirety, or their only other legal option is to withhold their vote. So you can have a scenario where a nominating committee puts whoever they want onto that slate, and as long as a single shareholder votes for that slate—even if you have 99.9 per cent of shareholders withholding their votes—then that slate is still elected." It would be like introducing new rules for our next federal election that state you can either vote for Stephen Harper, or not at all. And as long as one person votes for him, he wins.



GARY HAWTON didn't expect his campaign against runaway CEO pay to succeed. But in the wake of the economic crisis, companies are listening.

PHOTOGRAPH BY ANDREW TOLSON

CEO PAY: MY, HOW YOU'VE GROWN!

Feel like CEO pay is getting out of control? It's not your imagination. Below are the top 10 CEOs by total compensation in 1995 and again in 2007. In 1995, the 10 highest-paid CEOs in the country collected a total of $60.7 million. By 2007, the top 10 executives in the country raked in a total of $330.3 million—a shocking increase of 444 per cent in 12 years.

TOP 10 IN 1995

RANK	CEO	TOTAL COMPENSATION
1	Gerald Pencer, Cott Corp.	$13,005,559
2	John Doddridge, Magna International	10,853,543
3	David Walsh, Bre-X Minerals	10,008,000
4	Paul Desmarais, Power Corp. of Canada	5,654,258
5	Stephen Hudson, Newcourt Credit Group	4,221,471
6	Brent Ballantyne, Maple Leaf Foods	3,588,306
7	Clayton Woitas, Renaissance Energy	3,483,600
8	Richard Thomson, Toronto-Dominion Bank	3,372,804
9	Bernard Isautier, Canadian Occidental Petroleum	3,303,120
10	Lawrence Bloomberg, First Marathon Inc.	3,252,000

TOP 10 IN 2007

RANK	CEO	TOTAL COMPENSATION
1	Michael Lazaridis, Research in Motion Ltd.	$51,515,518
2	Gordon Nixon, Royal Bank of Canada	44,270,084
3	Robert Milton, ACE Aviation Holdings Inc.	42,928,122
4	James Balsillie, Research in Motion Ltd.	32,053,959
5	Paul Desmarais, Power Corp. of Canada	29,292,829
6	Andre Desmarais, Power Corp. of Canada	28,675,763
7	Bruce Flatt, Brookfield Asset Management Inc.	27,164,707
8	J. M. Lipton, Nova Chemicals Corp.	25,639,972
9	Raymond McFeetors, Great-West Lifeco Inc.	24,759,648
10	William Doyle, Potash Corp. of Saskatchewan	24,020,161

Luis Navas, who runs independent compensation advisory firm Global Governance in Toronto, says that if they're not careful, CEOs could soon find the government getting involved. "Finally, it looks like they want to regulate the compensation process and create accountability," he says. "They've actually come out with worldwide regulation regarding executive compensation, and Canada's head of the Office of the Superintendent of Financial Institutions was part of it." In its own formal and diplomatic way, the Financial Stability Forum expresses the very same exasperation that millions of angry workers have been expressing for years: it's not right that CEOs can ratchet up their salary when times are good, and then keep their bonuses when times are bad. But it's more than unjust, says the forum, it's dangerous. After all, if you got huge bonuses when your stock went up, but lost nothing when your stock tanked, you'd bet the house every time. As the report puts it, "compensation must be symmetric with risk outcomes." The "asymmetry of bonus practice," it says, "encourages taking of excessive risk."

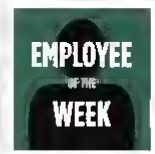
Navas, Griggs and Hawton all agree that given the current state of economic affairs, the political and social will is finally here to make real, lasting changes to executive pay. The more difficult question is: how? The Financial Stability Forum plan is a good start, and Navas agrees with many of its recommendations. He's particularly keen on regulating firms such as his own, which advise boards on setting executive pay. Right now, anyone can put out a shingle and start advising boards for $700 an hour, and the profession is known for its yes men, who were famously mocked by Warren Buffett when he described the fictitious consulting firm of "Ratchet, Ratchet and Bingo" a few years ago. As Navas says, "Auditors, doctors and lawyers are monitored. So why not us?"

Ed Woolard, the former CEO of Dupont and past chair of the New York Stock Exchange's compensation committee, also has a few ideas. In a speech to corporate directors a few years ago, he set out a blunt plan for addressing an issue that "has eroded the trust and confidence in American business leaders." In his speech, he attacked the time-worn excuses given for lush pay packages one by one. CEO compensation is driven by competition? "Bull," he said, arguing that directors needed to tie CEO pay to the pay rates of other executives within a company, rather than competing for higher pay with the CEOs of other firms. Compensation committees are independent? "Double bull," he retorted, suggesting that the committees should deal only with outside consultants who are not allowed to talk to anyone at the firm, including the CEO. What got him the most riled up though, was the idea of paying CEOs huge severance packages for failing. "No one else gets paid excessively when they fail," he said pointedly. "They get fired."

Navas says it's all got to come back to accountability. The simple truth is that many CEOs will set their pay as high as they can, unless someone stops them. That's where the shareholders are supposed to come in, which is why Gary Hawton's mission to give them a voice is so important. Hawton's say-on-pay movement will help because, while the votes are non-binding, such votes won't allow the boards to maintain the illusion that shareholders are okay with outlandish pay packages. In the U.K., where say on pay has been standard for years, Navas says the votes haven't lowered CEO pay rates across the board, but they have helped to solve the most galling problem: bad CEOs who still reward themselves with huge bonuses.

So far, Meritas and other investment firms have managed to pressure more than a dozen big blue chip companies into allowing say-on-pay votes at shareholder meetings. Hawton's next step, he says, is to convince the Canadian Securities Administrators to enact new regulations that would force every public company in Canada to adopt say on pay.

These days activist shareholders like Hawton are looking less and less like Don Quixotes, and more and more like trailblazers. Hawton says he was taught long ago that unbridled greed inevitably leads to disaster, and while that kind of thinking seemed almost heretical a few years ago, today it's hard to argue with. Hawton still believes in capitalism, he says. He still believes in compensating executives well for a job well done, and he believes in the free market. "But there has to be balance, too. It's not just how much money you make—it's how you make it." M



HERO COP RECEIVES UNWELCOME ATTENTION

There were a couple of items on the East St. Louis, Ill., city council agenda recently. The first was to commend a speedy junior police officer, Kristopher Weston, for nabbing a murder suspect hiding in some bushes 20 minutes after the crime was committed. Weston was just 10 months into the job. The second item on the agenda was to lay Weston off as part of civic budget cuts. "It was nice to be recognized," said Weston. "I'll just leave it at that."







WHAT RECESSION?

EVEN IN THESE TOUGH economic times, Audi, Mercedes and BMW are succeeding. Executives say that's largely because car buyers are increasingly concerned about quality

Luxury car companies are seeing rising sales and winning market share even as more modest brands are crumbling BY COLIN CAMPBELL

To call Marcus Breitschwerdt, the head of Mercedes-Benz Canada, an auto industry anomaly would be an understatement. He isn't just a happy auto executive, he oozes confidence. Ask him about the downturn that has decimated his industry and sent some competitors to the brink of bankruptcy and he'll tell you the troubles are being blown out of proportion. The Canadian economy is on solid ground, he says. Look no further than the rising sales Mercedes posted in each of the first three months of this year.

That's not all. Breitschwerdt will even tell you that a recession is a good thing. "They help you to get rid of the not competitive parts of the economy," he says, sitting in his office overlooking a dealership in a small strip mall in uptown Toronto. While he's reluctant to talk specifically about other carmakers like General Motors or Chrysler, he will say that he's not a fan of government bailouts to underperforming companies.

For Mercedes, and other luxury brands like Audi and BMW, the downturn in Canada has—at least so far—not been a catastrophe at all. Each of the major German carmakers boasted record sales last year and continue to post upbeat, slump-defying numbers. Mercedes' sales are up nearly 10 per cent so far in 2009, compared to an overall market decline of 22 per cent. Audi Canada said this month that it had its best quarter ever in Canada. BMW's sales were up seven per cent in March. While the domestic carmakers are stuck in the basement, the foreign luxury brands are talking about gaining ground on their once formidable rivals. "The total industry goes down, but our market share goes significantly up," says Martin Sander, the president and CEO of Audi Canada. "We haven't reached the ceiling."

This improbable trend may lend some credence to some of the rosier outlooks that have been offered up on the strength of the Canadian economy compared to the U.S. Thousands of Canadians, after all, still have the confidence to put down $40,000 or more on a premium car, despite all the bad economic news. But more importantly, it reflects some critical changes that have been brewing in the luxury car market over the past decade—ones that have seen automakers push to extend their sought-after luxury brands to a market of more modest means. Analysts caution that this trend could slam into a brick wall if the economy in Canada continues to sink. But Breitschwerdt, for one, isn't worried. "We like the overall developments very much."

The demand for luxury across a host of industries has been growing steadily since the mid 1990s, in step with the booming economy, easy credit and a population that felt richer as the values of their homes soared. "All those factored into a dramatic run-up in household wealth, which translated into buying a luxury vehicle," says Rebecca Lindland, an auto analyst with IHS Global Insight. Basic luxury cars like the BMW 3 Series and Audi A4 became symbols not so much of exclusivity but of middle management success. They appealed to a broad customer base, including the kinds of people who might have once bought domestic cars like Buicks and Lincolns. In Canada, the luxury car market nearly doubled, to a high of about seven per cent of the market in 2008, from four per cent in 2000, according to IHS Global.

The real trick, however, is keeping that upward momentum alive at a time when household net worth is shrinking fast and people are delaying major purchases of all kinds. This year, Mercedes introduced the GLK, a $40,000 crossover. That's not cheap, but it is competitive with SUVs like the Ford Explorer and Chevrolet TrailBlazer. Mercedes also sells its small B-Class car in Canada—a bubbish looking cross between a luxury and compact car that goes for about $30,000. "We want to convince more Canadians that Mercedes is affordable for them," says Breitschwerdt. Last year, BMW rolled out a hatchback, the 1 Series. It sells for $34,000. Compared to the average price of a car in Canada (about $30,000), "it's not that much of a stretch," says Kevin Marcotte, the director of marketing at BMW Group Canada. Audi isn't actively going after the mid-market buyer in the same way, but it sees an advantage in its reputation as the least showy of the luxury brands, says Sander. And it is shifting its focus toward offering price-conscious buyers more fuel-efficient cars, he adds.

If there's an ace up the sleeve of the luxury brands, they argue, it's their ability to sell buyers on quality. U.S. automakers like GM and Chrysler have struggled for years with their reputation for shoddy engineering and design. And though it is widely acknowledged that quality among the Detroit Three has vastly improved, it has still been difficult for them to fully solve their image problems. Luxury automakers say that in these times, people want to buy something that they know will work and last. "With the consumer mind set focused more on the rational than the emotional, we need to be very convincing," says BMW's Marcotte. That means focusing on things like quality and reliability rather than, say, status and sex appeal.



MARCUS BREITSCHWERDT, HEAD OF MERCEDES-BENZ CANADA, THINKS ALL THIS TALK OF A CRUMBLING CAR INDUSTRY IS OVERBLOWN. MERCEDES IS THRIVING.

None of this is to say, however, that luxury brand sales are immune from harsh economic realities. In the United States, where the recession began earlier and has fallen off more sharply, the luxury brands have struggled along with the rest of the industry. The decline in housing values and the disappearance of easy credit and jobs have combined to expose the Achilles heel of runaway growth in the luxury market: a lot of people who bought into it really couldn't afford the cars. Audi, which is a division of Volkswagen, saw a 25 per cent sales drop in the first two months of this year in the U.S. That's led to some speculation that Canada will, sooner or later, end up in the same sinking boat. "All the luxury players are going to have a difficult year," predicts Canadian auto analyst Dennis DesRosiers. Some of the positive numbers thus far are a reflection of the companies' healthy leasing programs, he adds.

There are other challenges, too. Both Mercedes and BMW are launching new models of their priciest, flagship luxury cars this year—the E-Class (which will sell for upward of $65,000) and 7 Series (over $100,000), respectively. The increasing focus on executive pay and pressure on companies to restrain corporate perks may well cut into the appeal of such extravagant rides. Still, the automakers are quick to downplay the unfortunate timing of the releases. Designing and building a new car costs hundreds of millions of dollars and takes over five years, so carmakers can't plan their releases for the market's ups and downs. Breitschwerdt chalks it up to the reality of building and selling cars. Audi's Sander says that it will do "nothing significantly different than we would have done two years ago" in marketing its new SUV, the Q5. BMW admits selling the 7 Series will be a challenge, but it expects that when leases on older 7 Series are up, many will still opt for the new model. And at the end of the day, these models aren't going to make or break the year. "It's a small percentage of our overall volume," says Marcotte.

BMW is the most cautious of the three in its outlook. "We've had a pretty volatile 18 months," says Marcotte, who notes that higher sales have been driven by lower prices, especially since the Canadian dollar reached parity with the U.S. greenback, putting companies under pressure to match prices south of the border. And though BMW is faring better than most in the industry, its Canadian sales did fall slightly at the end of last year and in January.

Still, auto sales are in large part a relative game. Market share is important, and the premium brands appear poised to emerge from the downturn in an enviable position and with a larger slice of the market. Breitschwerdt says that while Asian carmakers like Toyota and Honda have taken market share from the Detroit Three, the luxury carmakers are taking share from the Japanese. Even in the troubled U.S. market, the declines in luxury sales appear to be hitting higher-end domestic brands, like GM's Cadillac, harder than the foreign brands, says Lindland.

This probably isn't just a passing fancy, Lindland says. Looking beyond the current funk, demographic trends could end up fueling longer term growth in the high end of the car universe. In coming years, the population will continue to age—and it's the over 40 set that typically buys Mercedes, BMW and Audi. So while these high-end brands might suffer in the short term, they would appear to have much to look forward to. And that's the kind of forecast a lot of carmakers these days would die for. M

CHRISTOF STACHE/AP PHOTOGRAPH BY ANDREW TOLSON
JOERG KOCH/AFP/GETTY IMAGES STEVE WHITE/CP

ECONOWATCH

A WEEKLY SCORECARD ON THE STATE OF THE ECONOMY IN NORTH AMERICA AND BEYOND



STEVE MAICH

Things are getting a tad frosty in the world of high level economics U S Treasury Secretary Tim Geith ner said this week that he sees "encouraging signs" in the global economy But vague assurances aren't enough for the growing backlash against America's financial leadership, which has been characterized by half measures and missteps since last September The problem, as the critics see it, is that Geithner's cautious optimism is focused on the *symptoms* of this crisis Despite hundreds of billions in stimulus spending and bailouts, there has been little progress in treating the disease itself—which is rooted deeply in the U S housing market.

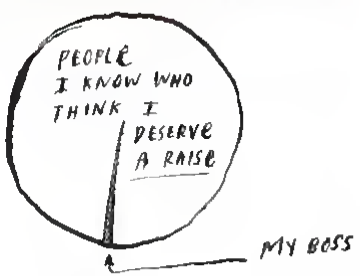
That disease is still getting worse, not better The S&P/Case Shiller housing index fell another 2 2 per cent between January and February, prices in 20 major cities are down 18 6 per cent from a year ago, existing home sales fell three per cent in March and distressed home sales (including foreclosures and so-called "underwater" properties in which the mortgage is bigger than the value of the house) repre sented almost half of all transactions last month

Not everyone is suffering, of course The plunge in prices is open ing up the market for young homebuyers who wouldn't have been able to afford a house a few years ago The National Realtors Associa tion estimates half of all home sales last month involved first-time buyers. But for all the young families taking advantage of falling prices to realize their dreams, even more are facing the final act of a financial nightmare—being forced out of a home they can't afford New census figures show that home ownership among people under 35 has slipped to its lowest point in almost a decade

That offers a glimpse of the complexity of the problem Normally, falling prices boost demand and slow the supply of new homes, until the market reaches balance and prices start to rise But the unpreced ented flood of foreclosures has thrown that equation into chaos Rather than curing supply, falling prices keep driving more mort gages into default and dumping more homes onto the market Dur ing the 1991 real estate recession, just 94,000 mortgages slipped underwater, 1 1 million lost their jobs and recovery was relatively quick. So far, at least six million U S. mortgages are underwater and job losses are over five million and counting

Forget swine flu Real estate is the only disease that matters Every thing else is just a symptom And we haven't found a cure yet M

OVERDRAWN by Jason Logan



THE GOOD NEWS

Frugality fatigue

Confidence is a tricky thing, and it just keeps getting trickier Most economists figure that a discour aged consumer will not spend, but recent polls suggest it's not that simple The latest TNS Canadian Facts poll found that while perceptions of the current economy are still weak, spend ing plans increased by nine per cent month over month Similarly, the NPD group found eco nomic perceptions among U S. consumers declined slightly last month but the retail response indicator (which tracks whether people consider this a good time to buy) actually edged up mod estly Translation the economy is lousy, but these bargains are too good to pass up!



Retail resilience

Canadian retail sales moved 0 2 per cent higher in February--a second consecutive monthly rise in the wake of a dismal holiday shopping season

Clean up, aisle 4

For those keeping score at home, the top U.S. banking regulator believes "we are past the crisis stage" and into "the clean up stage." That's not to say all the pain is over, though. FDIC chair Sheila Bair said the first phase of delin quencies was driven by bad mort gages, and the next will be driven by surging unemployment And the scope of the "cleanup" is already huge the FDIC has shut down 26 failed banks so far in 2009—more than in all of 2008

THE BAD NEWS

Totally gross

The official announcement won't be made for more than a month, but the Bank of Canada isn't waiting around to break the news about the state of the domestic economy. Gov ernor Mark Carney this week warned that the GDP likely con tracted at an annual pace of 7 3 per cent in the first quarter. That would be by far the worst reading in dec ades Preliminary num bers suggest the first three months of 2009 saw 273,000 jobs disappear on this side of the border.



Mass misery

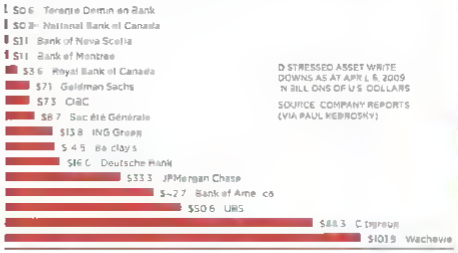
Another measure of weakness in the U S. job market came to light with the Labor Department's report of 2,933 "mass layoffs" in March—the highest reading on record Firings of 50 or more people at once are considered especially devastating because they have a large psychological impact on the communities in which they happen Almost 300,000 lost their jobs in mass firings last month alone And with GM announcing plans to cut another 21,000 factory jobs and to close more than 40 per cent of its North American dealerships, there are more mass firings on the way

Not so durable

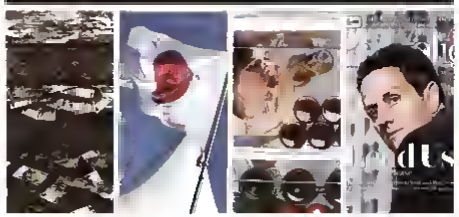
Remember that rise in durable goods orders in February? It didn't last March orders slipped 0 8 per cent last month and are down 23 6 per cent from 2008. With orders down and inventories high, production will stay depressed.

GRAPH OF THE WEEK

A TOTAL WRITEOFF • By now, you've heard that Canada s banking sector is the envy of the world But our relative success is far more about what Canadian banks didn t do rather than anything they did Below is a breakdown of total asset writedowns related to tox c investments since the crisis began As international giants loaded up on mortgage-related junk most Canadian banks stayed on the sidelines



SIGNS OF THE TIMES



▶The European Central Bank is missing about 40 billion euros in cash, and it's pretty sure it knows where it is mattresses The ECB noted this week that during the fourth quarter of 2008, just when the global economy was really starting to come off the rails, there was a surge in demand for European banknotes Demand for 100-euro and 500 euro notes was especially high and those bills are "to a large extent used for hoarding," the ECB said

▶The Japanese government has come up with a novel, not to men tion highly inflammatory, plan to ease the burden of unemployment. It is paying jobless immigrants to go back home Japan is offering $3,000 for each foreigner of Japanese descent, and $2,000 for each family member, to return to their country of origin Takers must sign an agreement not to return until the economy recovers

▶One of the bright spots in Canada's February retail sales report was a dramatic rise in sales at liquor and wine stores—a jump of 2 3 per cent from January to February But economists say it's not that Canadians are drowning their financial worries in booze—they're likely passing up on trips out to restaurants and bars, and opting to drink at home instead, because it's a lot less expensive

▶This week's sign of the apocalypse for the media industry: Condé Nast has shut down its glossy monthly business magazine *Portfolio* after just 21 issues. It's been a great time for business news, but a lousy time for high-end advertising And so, the company is walking away from its estimated US$100 million investment.

LATEST INTELLIGENCE

Next week the U S government will reveal results of the so called "stress tests" aimed at gauging whether 19 major American banks have enough capital to weather a worsening economy But many critics are already slamming the tests noting that the banks own models for capital adequacy failed in the midst of this crisis so why should anyone believe that the government can get it right this time?

"The vast majority of banks have more capital than they need to be considered well capitalized by their regulators"—*Tim Geithner, U.S treasury secretary*

"Transparency is critical. While banks have pushed to keep the kimono closed, the stress tests have forced it open."
—*Bill Brown former managing director at Morgan Stanley*



"It took 10 years to come up with Basel II, and the models failed Is it credible that the Treasury and New York Fed could come up with an alternative stress test in two weeks?"—*Josh Rosner, managing director at Graham Fisher & Co*

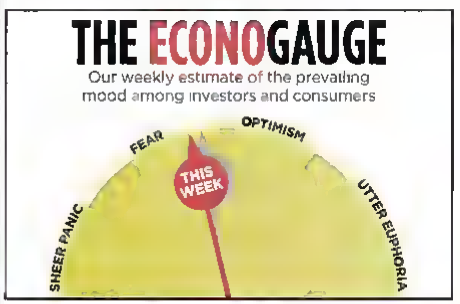


"The stress tests are, at best, a waste of time At worst, they're misleading and testing the wrong things The idea of using some level of unemploy ment to say whether Citigroup is not as strong as J.P. Morgan to me is laughable And therefore I will be glad when this process is over"—*Mike Holland, chairman, Holland & Co*

"The reason for assisting banks is so that they can lend, not so that they can hunker down and hope the economy recovers We need to hold the banks to a much higher standard and insist that they add enough capital to start lending even if the economy continues to deteriorate"—*Anil Kashyap, University of Chicago*

THE ECONOGAUGE

Our weekly estimate of the prevailing mood among investors and consumers



THE WEEK AHEAD

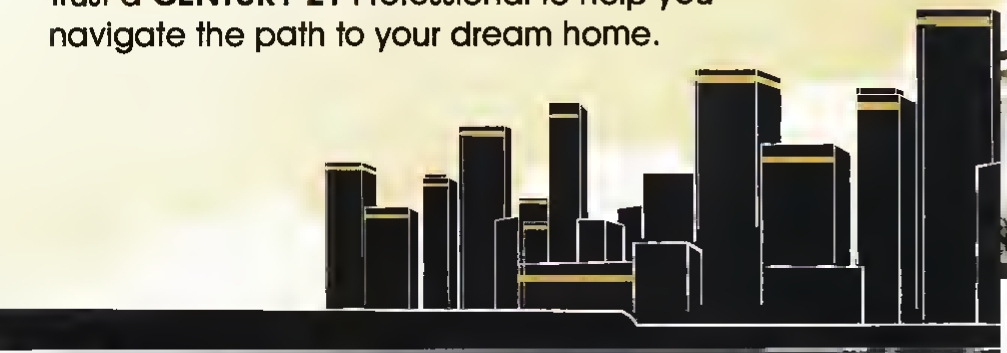
THURSDAY, APRIL 30 StatsCan will release Canadian gross domes tic product for February Since the Bank of Canada is already warn ing that the first quarter was a writeoff little joy is expected • The U S Commerce Department will report personal income and spend ing for March—small declines are expected in both

FRIDAY, MAY 1 The Institute for Supply Management will report U.S. manufacturing activity for March

TUESDAY, MAY 5 The ISM will report March service sector activity

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REAL ESTATE AND HOME OWNERSHIP

SUBDUED MARKET STILL BRINGS SPRING RENEWAL

When this year's spring real estate market began sprouting its earliest signs of renewal in the late-winter months, many Canadian home buyers and home sellers were warming up to a new reality. With home sales activity and average prices down year-over-year in many markets, there's a return to a slower, steadier ride than the real estate rocket ship of days past.

Calvin Lindberg, Past President of the Canadian Real Estate Association (CREA), felt the precipitous price drop in the ever-pricy West Vancouver market, where his own realty business is based. "Our area is the most expensive on an average home price basis, but there's no question that prices have come off in some cases it's 20% or 30%."

But, for the most part, Lindberg characterizes this spring real estate climate as a "return to normal" in many ways, with the number of listings becoming more balanced. "For four to five years, we had hardly any listings at any given time, so there was little to choose from.

"It's now a different world for a lot of sellers in terms of expectations. We've just been through some eight or nine years of incredible growth."

Each month, The Canadian Real Estate Association compiles the statistics of homes and properties sold through the Multiple Listing Service® of local real estate boards and associations, to track broad national market trends for prices and properties sold. Averages can only reveal so much, since real estate markets vary greatly between regions and individual neighbourhoods, but a trend of the times has locked in.

The national residential average price continues to be pushed down by lower activity in the historically more expensive B.C., Alberta and Ontario housing markets, and by fewer sales of homes carrying the highest sticker prices. Nationally, the average home price was about $312,852 in March 2009, down from $313,640 a year earlier.

But, in March 2009, the MLS® average home sale price remained up from year-previous levels in Saskatchewan, Manitoba, New Brunswick, Prince Edward Island, Quebec and Newfoundland & Labrador.

The supply of homes for sale remains high, but has been trending lower, according to CREA's economic forecasts.

"The housing supply is expected to continue easing, but it will take time before it realigns with lower demand," said CREA Chief Economist Gregory Klump. "Economic uncertainty is keeping home buyers in a cautious mood, so homes are taking longer to sell than in recent years. Economic uncertainty may continue to dampen consumer confidence into the months ahead," he suggests.

Broad statistics aside, the real estate reality continues to play out street by street across the country, characterized by truly local elements. "Real estate is local, so it is important that buyers and sellers accurately determine pricing issues in their specific neighbourhood," says Lindberg.

He cites a West Vancouver waterfront home priced at $3 million that sold for over asking in March, despite all statistical averages to the contrary. "It depends so much on location, as always."

Even with dollar numbers down, REALTORS® tend to be a pretty optimistic bunch," says CREA's current President Dale Rappinger, as he gathered with CREA representatives in Ottawa for the annual general meeting in April. "There's a good mood out there now, since moving into the spring market; there is always an increase in activity from the winter. And even in February, we saw quite a bit of activity across the board," he says.

MORTGAGE RATES DRIVING AFFORDABILITY

The latest housing report released by RBC Economics Research suggests that, even through the pain of a recession, there are encouraging signs for Canadian homeowners on the affordability front, after four years of sharp declines.

The RBC affordability measure captures the proportion of median pre-tax household income needed to service the cost of a mortgage. During the fourth quarter of 2008, the RBC affordability measure at the national level improved across all housing segments. Compared with a year earlier, affordability improved 2.3 to 3.5 percentage points, due primarily to lower lending rates.



FIRST-TIME ATTRACTION

IN SOME NEIGHBOURHOODS ONCE MARKED BY FRENZIED BIDDING WARS AND FRUSTRATED FIRST TIMERS A SENSE OF DECORUM HAS RETURNED

Affordable financing options and a shift to a buyers' market is helping first-timers to make their move in this spring real estate market.

"The recent statistics really reflect why this is an attractive time for first time home buyers and not just because of housing prices" says Don Lawby president of CENTURY 21 Canada based in Vancouver who started his career with the company in 1976. "Interest rates are at levels that I can't recall having ever seen – a first time buyer can be looking at about 4% for a mortgage with a five-year term" he says.

When it comes to average home prices he cautions buyers and sellers from jumping to conclusions. "There really is no such thing as average. The real estate market is just too local."

In this market says Lawby "You need to find a realtor who you feel comfortable working with a realtor who has the patience to explain all the intricacies of this complex transaction and can seek comparisons that are meaningful where you're looking."

SMART SHOPPERS

While desirable properties in sought-after neighbourhoods may still get snapped up quickly many first time shoppers have more to look at and may take more time to make an offer.

In Toronto, Kate Cassaday is an example of a savvy strategic shopper who's not jumping into the market just because rates or prices may be more affordable. The 27-year-old book editor and her fiance represent quite the opposite of the "no money down" attitude that gripped the height of the housing bubble.

"The main reasons we're looking now is that we've saved enough to make a 20% down payment and it is the right time in our lives – not because the market is down" says Cassaday who saved enough to qualify for a conventional mortgage. Instead of a low-ratio, insured mortgage. The couple renters in Toronto's downtown Annex neighbourhood focused their search east of downtown in the more affordable but trendy Leslieville. "I figured that for us, if we couldn't save enough for a significant down payment, it would have been a pretty good indicator that financially we weren't ready to buy."

Cassaday and her fiance have taken time to view more than 15 homes to date. She credits the confident guidance of their real estate agent, Matt Emerson a Sales Representative of RE/MAX Hallmark Realty Ltd. who brings a great mix of real estate knowledge and a trade background. "We've been working together quite closely and the fact that he has a background in carpentry really helps...as he can quickly spot things we may not pick up on" she says.

When they do find the right house Cassaday says she will make any offer conditional on a home inspection – something that many buyers gave up at the height of the last housing boom.

ENTRY-LEVEL ENGINE

At the moment entry-level purchasers appear to be the engine driving home-buying activity. "In almost every major centre in Canada according to a RE/MAX report released in March. Record-low mortgage rates softened home prices in many areas and even a new federal tax credit for first-time homebuyers may entice more renters to make the move to this year.

This is a time when home ownership remains well within reach for most first time buyers" says Michael Polzler Executive Vice President and Regional Director RE/MAX Ontario-Atlantic Canada Inc. "In fact they may be able to look at a variety of houses and ask for things in their offers that had recently become very unlikely – such as home inspections or making a sale conditional on financing. There might be more room to negotiate."

SOUND ADVICE

While Cassaday says her realtor has been an indispensable guide she also did her homework as a first-time buyer. She recommends *The Holmes Inspection* by contractor Mike Holmes (Harper Collins Canada 2008) is a great resource for its tips on seeing past the "small stuff."

"I'm no expert but this book helps you see more than 'This is pretty' when you look at a house" says Cassaday. "I'll be looking at things like if the counters are level and whether the cabinets are well installed. Rather than look in a yard and think 'Oh I like the flowers!' I can look past that and see if the grading looks good."

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BUYING or SELLING?

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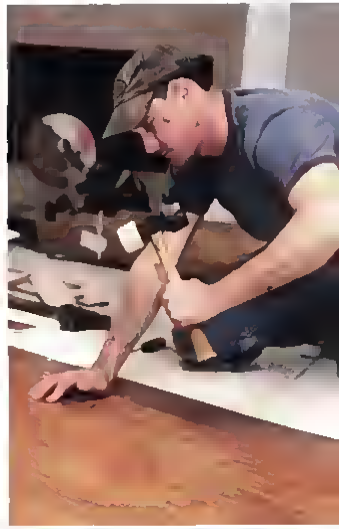
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There's lots more informotion on
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RENO & STAY vs. FIX UP & GO

WHETHER IT'S FOR LOVE OF YOUR HOME OR FOR MORE MONEY IN YOUR POCKET, HOME RENOS WILL TRIGGER EXTRA TAX INCENTIVES THIS YEAR

With the days of the quick flip largely behind us property owners and prospective buyers can take a more long-term view on renovations that can truly add to, or sustain a home's value

But one of the biggest reasons for renovating may be simply to get more enjoyment out of your stay-at-home time even more so than for increasing resale value suggests a recent Lowe's Canada/Angus Reid Strategies survey of 1,003 Canadians Its findings

- 64% of Canadians are undertaking home renovation projects for personal/family enjoyment
- 12% of Canadians are undertaking home renovations to add value to their homes for resale purposes

ONE YEAR TAX BREAK ON RENO COSTS

If you do have that big renovation project lingering in the job jar consider this deadline complete it by Feb 1 2010 and you may be able to claim a 2009 income tax credit.

Last January, the federal government announced a one year temporary 15% Home Renovation Tax Credit on eligible home renovation

The credit applies to eligible expenditures in excess of $1 000 but not more than $10 000 for a maximum credit of $1 350 ($9 000 x 15%)

DO'S AND DON'TS OF THE TAX CREDIT

See details on the Canada Revenue Agency website (cra-arc.gc.ca), but here are a few key things to know about claiming this proposed federal tax credit

- You can't hire your brother-in-law or other related person to do the work unless that person is registered to collect GST/HST
- You may only claim the credit for personal use areas of your home
- You won't have to file receipts or documentation with your tax return but must keep these on file in case of an audit
- You cannot claim the cost of tools cleaning, appliances, maintenance contracts or financing

WHO'S DOING WHAT, AROUND THE HOUSE

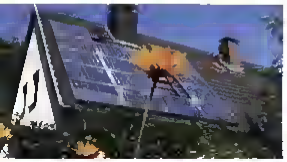
The most popular renovations Canadians plan to complete in their homes this year according to a Lowe's Canada/Angus Reid Strategies survey of more than 1,000 Canadians

- Painting the interior or exterior (41%)
- Renovating a bathroom (32%)
- Renovating the kitchen (26%)
- Installing new carpet or hardwood floors (26%)
- Installing new windows (21%)
- Building an addition, deck fence or retaining wall (20%)

FEDERAL HOME RENOVATION TAX CREDIT:

SAVE UP TO $1,350 ON

Renovating a kitchen bathroom or basement
New carpet or hardwood floors
An addition garage, deck, garden/storage shed or fence
Re-shingling a roof
A new furnace, wood stove boiler, fireplace, water softener or water heater
A new driveway or resurfacing a driveway
Interior or exterior painting
Window coverings directly attached to the window frame
New sod
Swimming pools (permanent - in ground and above ground)
Fixtures such as lights and fans
Permits, professional services, equipment rentals



ecoENERGY REFITS ARE MORE THAN SKIN DEEP

THESE HOME IMPROVEMENTS FOCUS ON ENERGY EFFICIENCY RATHER THAN DECORATIVE FRILLS.

When Garry Lowney does a house call he won't hesitate to tell you where money is seeping out of your home As an independent home energy auditor his job is to point out which upgrades would be money well spent when it comes to energy conservation and efficiency

"Many homeowners don't know where they'd be best to spend their home improvement dollars" he says. "Should you replace windows your furnace, or both? Should you insulate your foundation, or reduce air leaks?

Lowney is the founder of The House Whisperers a consulting firm based in Lower Mainland, with a network of energy advisors operating in B C and Ontario

The House Whisperers are among the growing contingent of energy advisors licensed by Natural Resources Canada (NRCan) to assist Canadian homeowners in the process of getting grants under the federal ecoENERGY Retrofit – Homes program This voluntary program offers grants of up to a total of $5 000 to homeowners for a wide range of home improvements and for a limited time it has been expanded to offer an additional 25% in rebates Many provinces offer matching grants

An energy assessment is required to apply for these grants, and the average cost of an evaluation is $300, which is eligible for a government rebate You receive a personalized checklist of upgrades that will reduce your energy consumption

Some of the most energy-efficient upgrades from an experienced House Whisperer

BASEMENT INSULATION "Uninsulated concrete walls absorb heat like sponges absorb water," says Lowney For many homes insulating the bare concrete walls can be one of the biggest energy savers he says

NEW HEATING SYSTEM If your furnace was installed prior to the early 1990s a new high efficiency furnace could save you 30% to 35% of energy costs, says Lowney and newer heat pump technology can bring that up to 40% to 70%.

SOLAR TECHNOLOGIES While there are limited federal incentives to install more expensive solar technologies says Lowney interest is catching on Recently expanded ecoENERGY grants now provide up to $1 250 to install solar hot water heaters for homeowners who have had an ecoENERGY assessment

For information about the ecoENERGY program or to find an energy advisor certified by NRCan, visit www.ecoaction.gc.ca/homes

WHAT "AVERAGE" LOOKS LIKE











WHEN LOOKING AT NATIONAL OR REGIONAL REAL ESTATE NUMBERS ON THE MULITPLE MLS® LISTING SERVICE, "AVERAGE PRICES" ARE JUST A BROAD BENCHMARK, BUT CAN HELP ILLUSTRATE WHAT A TYPICAL HOUSE LOOKS LIKE

1. GREATER VANCOUVER: AVERAGE PRICE $530,763

In pricier Vancouver West, this might get you in the door of a two-bedroom 1 1/2 bath condo, such as this one in the heart of Yaletown This heritage conversion a compact 708-sq -ft loft features a gas fireplace a chef's kitchen with a movable centre island plus extra outdoor space in a large patio

2. CALGARY: AVERAGE PRICE $372,114

In the sought-after southwest community of Oakridge, a bit over the average price might land you in a property such as this 1970s-built, split level, 1,051 sq.ft two-bedroom home on a quiet cul de-sac ready for your personal touch

3. GREATER TORONTO: AVERAGE PRICE $362,050

You could still pick up a detached older bungalow in the eastern suburbs for slightly under the average GTA price This one listed in April near the lake, has three bedrooms two fireplaces, plus a basement apartment and a sauna, all set on a 50 ft by 107 ft lot

4. MONTREAL: AVERAGE PRICE $254,502

For just under the average price, you might find a cozy space like this semi detached bungalow that backs onto a forested park, in the established West Island suburb of Pointe Claire

5. HALIFAX: AVERAGE PRICE $229,548

Close to this price, you might find a pretty Cape Cod style 1.5 storey three-bedroom home in the sought-after area of Fairview, situated on a large lot that is fenced and professionally landscaped

*Source MLS March 2009

BIGGEST CONCERNS WHEN BUYING A HOME

After location and price, property taxes was the issue cited by home buyers as their biggest concern according to a March 2008 survey of REALTORS®

- **30%** – taxes
- **23%** – recent renovations
- **16%** – safety of the neighbourhood
- **14%** – energy costs or utility bills
- **8%** – maintenance costs
- **3%** – energy efficiency

Source: A survey of REALTORS® conducted by The Canadian Real Estate Association



SPENCER WEINER/LA TIMES

WHITE-COLLAR CRIMINALS lack street smarts. Levine advises them not to stare people down and to say 'excuse me' and 'thank you.'

An etiquette guide for the modern prisoner

Wall Street's newest guru has some advice for jail-bound white-collar criminals

BY ANNE KINGSTON • There's no more telling sign of the times than the fact Wall Street's newest guru is an ex-con finagler of U.S prison-system loopholes who looks like Jesse Ventura's tougher baby brother Larry Levine, the 47 year old founder of Wall Street Prison Consultants, offers the instructive program "Fedtime 101," whose curriculum includes "Your first day what to bring with," "Why staff lie & dislike inmates" and "How to survive a prison riot" For oenophiles, he even provides a recipe for hooch It begins "Steal fruit from the dining hall "

Levine has been offering advice on surviving prison life, navigating early release programs and getting time shaved off sentences since his own release in 2007 The former private investigator served a 10 year sentence for narcotics trafficking, securities fraud, racketeering, obstruction of justice and running machine guns "I was an entrepreneur," he explains Six months ago, observing the uptick in the white collar convict pool, he decided to "rebrand" his company, American Prisons Consultants, which is based in his Los Angeles apartment, and set up a separate shingle It was a shrewd move white collar fraudsters, both male and female, now comprise 40 per cent of his clientele

Levine possesses a tough-guy charisma that has captivated a media looking to fill a gap left by discredited stock prognosticators and economic pundits The business hero of the moment has become a news-show staple, popping up on *Anderson Cooper 360* and *Nightline*, the BBC will be interviewing him later this month. And, of course, there's a reality show in the works that will chronicle Levine's consultations with clients "going from the exchange floor to the prison yard "

Levine's at the forefront of an emerging prison wrangling and etiquette sector directed at the executive class He cites the fact that he was transferred to 11 institutions—from low to high security—as part of his edge over his six competitors "I saw the country through the Bureau of Prisons I flew Con Air," he boasts His competitors, on the other hand, have only worked "one to two years in minimum security" He was moved around so much, he says, because his work as a prisoners' rights advocate ticked off wardens Suing the system on behalf of inmates provided a real education "Inmates get their rights trampled on a lot," he says

Levine follows his own moral code He wouldn't help Bernie Madoff, who he claims approached him through representatives "He's an economic terrorist," he says Nor will he assist child molesters "I'm a grandfather," he explains He figures he has given some 2,000 free consultations. "It's my way of giving back to the community" One is rumoured to have been with Shana Madoff, Madoff's niece and the compliance lawyer at his firm Levine says he was called out of the blue by a woman who refused to identify herself but said she was connected to Madoff His advice was to save her own hide and cut a deal Some 200 clients have paid his fees, which begin at US$850 Collecting can be tricky, he admits "These people are criminals And I can't send a bill collector inside prison "

The biggest challenge white-collar felons face, Levine says, is transitioning into prison society. "They lack street smarts" He teaches people what he says they should already know. "Show some manners because people are under a lot of stress Don't be a jerk Say 'excuse me' Say 'thank you' Don't get into arguments or stare people down Don't go into the showers in the middle of the night Use common sense "

The physical dangers facing white-collar fraudsters have been overblown by TV and movies, he believes "Most don't end up in dangerous institutions with real criminals." (Madoff will be the exception, Levine says, due to the length of his sentence "They're going to kill him in jail," he predicts "A lot of people want to keep Bernie quiet ")

Working the system, paradoxically, can require engaging in more fraud Faking a physical disability, for instance, can result in a "medical restriction" that will lead to less strenuous work duties "If you know how to type and you have half a brain, you're going to be doing paperwork instead of yardwork," he says Feigning an addiction will land an inmate in a rehab program, which can reduce sentence time, even without evidence of drug or alcohol abuse in the pre-sentencing report "I love fraud," jokes Levine, who's still on federal supervised release Easy for him to say, now that he's on the outside looking in M

TRACKING THE OUTBREAK THAT SHOOK THE WORLD

At first it was just a 'strange' cluster of illnesses in a small Mexican town. Then suddenly swine flu was everywhere.

BY MICHAEL FRISCOLANTI AND CHARLIE GILLIS



In the early days of April, almost three weeks before the world was first warned about a deadly flu outbreak in Mexico, alarm bells were already sounding—in Washington state, of all places. Veratect Corporation, a small, Seattle-based company that specializes in tracking global diseases, issued an electronic alert to its subscribers, notifying them of a "strange" cluster of respiratory illnesses in the rural town of La Gloria, a farming community in the Gulf Coast state of Veracruz. More than 1,800 people—60 per cent of the town's population—have "been affected," the company wrote.

The troubling reports continued to circulate. On April 13, a 39-year-old woman passed away—the first of many fatalities. Three days later, Veratect reported "an unspecified number of atypical pneumonia cases" at a hospital in Oaxaca state. Another person was dead, the emergency room was quarantined, and flu symptoms were surfacing at an alarming pace. Veratect officials eventually reached out to the U.S. Centers for Disease Control, only to be told that the agency was "already dealing with the crisis."

In fact, the crisis had made its way to Winnipeg by then, to the home of Dr. Frank Plummer, the scientific director of Canada's National Microbiology Laboratory.

It was April 17, a Friday night, and Plummer was watching a playoff hockey game in his living room when the e-mail arrived from Dr. Celia M. Alpuche-Aranda, a colleague at the Instituto de Diagnostico y Referencia Epidemiologicos in Mexico. Needless to say, Plummer didn't catch the final score. He hasn't caught much sleep since then, either. Two hours a night, if that much.

By early Saturday morning, plans were under way to ship 51 specimen samples from Mexico to Manitoba. After consulting with fellow microbiologists, the decision was made to collect "fluid samples from deep within the lung" (officially known as bronchial alveolar lavages). "These were people who were very severely ill—many of them on respirators," Plummer told *Maclean's*. His Winnipeg lab activated its "Ops Centre," extra staff was assembled, and senior officials, including the country's chief public health officer, were promptly notified. Plummer also phoned Ontario to speak to doctors Arlene King and Theresa Tam, both veterans of the 2003 SARS crisis, to let them know "that we'd had this request from Mexico that sounded like a very concerning situation."

His hunch proved correct. The lung swabs arrived on April 22 (at precisely 11:39 a.m.) and by the next day, "we knew this virus was very different than what circulates in humans normally." On April 24, lab technicians officially confirmed what the whole world now knows. 17 of the samples contained a nasty, never-before-seen influenza virus—part swine, part human, part avian. "It's totally new and therefore one that humans don't have natural immunity to," Plummer says. "The first thing you ask yourself is 'Is this the start of a pandemic?'"

The answer is still very much unclear. At last count, the virus has killed more than 150 Mexicans, hospitalized 2,000 others, and slinked its way into Canada, the U.S., Europe and New Zealand, among others. Panic is spreading even faster. The World Health Organization increased its pandemic threat level for the first time in four years, travel advisories are in full effect, and the cable news networks are dutifully tracking every minute detail, relevant or not.

But is this the big one? Are we staring at the long-overdue pandemic that scientists have been predicting for more than a decade? Maybe so. Maybe not. "It has the potential, and that's enough to cause everybody to sit up and pay attention," says Dr. Fred Aoki, one of Canada's top influenza experts. "But until we get a bit more information, we really don't know." By the time they do know, it may already be too late.



MOTHER, grandmother of Mexican boy who died of swine flu, tourist leaves Mexico, Korean Air crew scanned for fever

BENEDICTE DESRUS/SIPA PRESS
FELIPE LEON/REUTERS
LEE JIN MAN/REUTERS

Some of the details—the where and the when—are impossible to pin down with absolute certainty. Influenza viruses can spread so quickly, and cover so much ground in so little time, that no right-minded scientist would dare declare, with 100 per cent assurance, that *this* is where it all began. But in this case, the "how" is fairly conclusive.

Swine influenza has existed for decades, and although one subtype is the most common (A/H1N1), there are others (H1N2, H3N1 and H3N2). Pigs, though, are also susceptible to bird flus and human flus, and in some rare cases, a hog can be infected with more than one virus at a time. When that happens, the genes have a chance to mix together in innumerable ways—and, in this case, to concoct an entirely new strain that has the power to spread from pig to human to human. "It's a step-by-step process, and eventually you get this mixture," says Dr. Earl Brown, a flu researcher at the University of Ottawa. "It's not lightning striking all at once."

Without that definitive lightning strike, public health investigators will never be able to pinpoint the precise pig responsible for the virus. All they can assume is that the animal was somewhere in Mexico, and that someone—a peasant farmer, most likely—had the misfortune of stepping too close.

Even without the evidence, some are already pointing to a prime suspect: La Gloria. The industrial farming town that appeared in those early Veratech reports has been dubbed "Ground Zero" by more than one Mexican newspaper. The community is home to a Confined Animal Feed Operation (CAFO) that is 50 per cent owned by Smithfield Foods Inc., the largest fresh pork and packaged meat company in the U.S. Residents have long complained that flies swarming over the open-air manure lagoons have caused an alarming number of respiratory infections. Edgar Hernandez, a four-year-old boy who lives in the area, has since tested positive for the new swine flu.



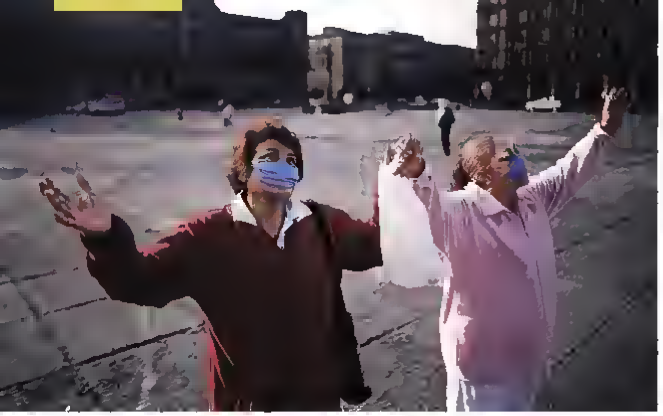
Both the company and the Mexican government deny any link between the outbreak's early days and the La Gloria factory. The government says the illnesses in the region—Hernandez aside—were caused by an entirely different flu, and as the company declared in a news release, "it has no reason to believe" that the swine virus "is in any way connected to its operations." But it is still "quite possible" that pig manure spread this infection, says Ellen Silbergeld, an epidemiologist and professor at the Johns Hopkins Bloomberg School of Public Health. "You have a lot of animals—of hosts—in a confined area," she says. "This is a textbook situation for driving evolution of bacteria or viruses."

The locals certainly seem to think so. Many are absolutely convinced that the swine flu originated in their backyard. "When we saw it on television, we said to ourselves 'This is what we had,'" said one resident, recounting the symptoms (fever, coughing, vomiting and diarrhea). "The symptoms they are suffering are the same that we had here." Concepcion Llorente, a first grade teacher in the town, also doesn't believe the government's explanation. "They said that what we had here was an atypical flu," she told the Associated Press. "But if the boy tested positive for swine flu, where did he get it from?"

All across Mexico, government mistrust is as rampant as the virus itself. Schools are closed, the streets are deserted, and soldiers are handing out surgical masks to the few who still venture outside. Yet, two weeks and counting since the first confirmed death, the bureaucracy still hasn't distributed medication to the families of the deceased—or even interviewed them. Jose Angel Cordova, the Mexican health secretary, has resorted to deflecting the same tough questions with the same generic response: "We never had this kind of epidemic in the world."

It is no surprise, then, that the Internet is rife with rumours and conspiracy theories. Some Mexicans are openly suggesting that the swine flu was invented by a group of American and German students at the University of Ohio dedicated to bio-genetic research. Others say that many more people have died than the government is saying, or that the medicines prescribed for the flu really don't work. "Many of these rumours or worries stem from the assumption that the government is not telling us everything it knows," wrote television news journalist Denise Maerker in a column in *El Universal* newspaper. "It's obvious ... that every day the president and his team evaluate what they tell us and how they tell us."

Indeed. On Monday, April 27, Mexican officials dropped this bombshell: the first fatality of the outbreak—the 39-year-old woman who died on April 13—worked as a door-to-door census taker. In other words, she potentially passed the virus to countless strangers before she ever knew she was sick.

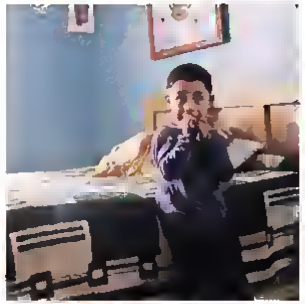


Influenza's ability to hop between continents throughout human history remains one of its enduring mysteries. But the swine flu epidemic has cast light on at least one modern means of transportation: the globe-trotting high school student. Four teenagers from King's-Edgehill private school located near Windsor, N.S., counted among the first confirmed instances outside Mexico after they returned from a school trip to the Yucatan Peninsula. Strangely, the virus didn't seem to be hitting them as hard: all exhibited "moderate" symptoms, said Robert Strang, director of the eastern province's health authorities, as did four staff members believed to have contracted the virus from the teenagers.

Same went for 75 students at the St. Francis Preparatory School in the New York City borough of Queens, who had recently returned from spring break. The bug was mild enough that city health officials cast doubt on fears it might be swine flu. But it was hard to ignore the fact many had just arrived back from trips to Mexico, and sure enough, Mayor Michael Bloomberg confirmed Monday that 28 St. Francis students had tested positive for the Mexican strain—more than half of the total 51 cases confirmed in the U.S. by early Tuesday. "There are no other clusters evident in New York City," said the mayor reassuringly. "We have seen the kind of flu that does not seem to grow and in a few days, the symptoms seem to be going away."

The world could be forgiven, however, if it failed to receive Bloomberg's assessment as the final word. On Saturday, two parties of students who had been in Mexico on language and cultural trips touched down in Auckland, New Zealand, and when some began exhibiting flu symptoms, authorities quarantined 40 students and teachers from both groups. Lab work later confirmed swine flu in three out of 11 cases, with investigators assuming the remaining eight also suffered

Then a bombshell: the first fatality of swine flu worked as a door-to-door census taker



PRAYERS in Mexico City, Edgar Hernandez, 4, a flu survivor, lives in 'Ground Zero' area

from the virus. One unnamed student in isolation told Radio New Zealand that the students had finished up their Mexican trip by billeting in the homes of local people. "Some of us were getting coughs and stuff within the last few days of our trip," she said.

In the meantime, the sentinel systems in countries around the world were detecting the tip of what looked to be an epidemiological iceberg. Scotland and Spain followed with announcements of confirmed cases—two in each country—while France announced four potential cases. A handful more emerged in Ireland, Scandinavia, Switzerland and Belgium, while German health officials began boarding newly arrived aircraft and examining anyone who felt ill. In Israel—where Deputy Health Minister Yakov Litzman urged people to refer to the illness as "Mexican" flu to observe pig-related religious sensitivities—two people who had recently travelled to Mexico were in hospital with confirmed cases. Colombia, Chile, Costa Rica: the list went on. At press time, 218 cases outside of North America were under investigation at the very least, with 82 infections confirmed.

No surprise, then, that some alarmed officials began making drastic moves. In Asia, thermal scanners not used since the 2003 bird flu crisis were set up at airports in Singapore, Thailand, Japan, Indonesia and the Philippines. Japan said it would no longer grant Mexican nationals visas upon arrival. Malaysian health workers took the temperatures of passengers disembarking from a flight originating in Los Angeles. Health Ministry officials in India said travellers from Mexico, the U.S., Canada, New Zealand, Spain, Britain and France would be inspected individually. Russia, Hong Kong and Taiwan announced they would quarantine travellers arriving from flu-affected countries suffering from fevers, while China, Russia and Ukraine halted imports of pork and pork products from Mexico and several U.S. states—this despite well-established science showing viruses cannot be transmitted through meat products. Cuba on Tuesday suspended flights to and from Mexico for 48 hours, the most draconian measures taken by a country thus far.

Even in developed countries, soothing words were quickly contradicted by official actions, suggesting the every-country-for-itself mentality is alive and well. In Washington, President Barack Obama described the growing case count on Monday as cause for concern but "not a cause for alarm." Nevertheless, the U.S. government declared a national health emergency and advised Americans to avoid non-essential travel to Mexico—a move Dr. Richard Besser, head of the U.S. Centers for Disease Control and Prevention, described as having been made "out of an abundance of caution."

In Britain, Health Secretary Alan Johnson said there was no need to close borders or restrict foreign travel. Yet authorities stepped up health checks for all travellers arriving by boat or airplane (those suffering flu-like symptoms were shuttled to hospitals for nose and throat swabs). Hours later, the Foreign Office advised Britons against non-essential travel to Mexico and said consular and visa services at its embassy there would cease until further notice.

Multiple layers of government served to complicate matters' taken as a whole, the U.S. appeared to be doing well, with 45 cases in New York, 13 cases in California, six in Texas, two in Kansas, one in Ohio and another,

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according to state authorities, in Indiana. Yet health officials in Texas began closing schools starting Monday and even threatened to cancel proms after two students near San Antonio were found to be infected. Authorities also shuttered some schools in New York City, California, South Carolina and Ohio. Mayor Bloomberg said the flu could have spread to infect hundreds of students at New York schools. Gov Arnold Schwarzenegger declared a state of emergency in California. Still, American officials, including the CDC's Besser, were dismayed when EU health commissioner Androulla Vassiliou on Monday advised Europeans not only to avoid travel to Mexico but also the U.S. Not a single case, after all, appeared life-threatening. Indeed, only a single U.S. patient was said to require hospitalization—though that number jumped on Tuesday to five.

The World Health Organization, for its part, took refuge in the middle of the road, voting Tuesday to increase its alert level for the swine flu from level 3 to level 4 in recognition of the virus' human to human transmission. The change signals a shift from trying to contain the disease to mitigating its effects. But the WHO advised against shutting down borders or putting restrictions on international travel, arguing that trying to contain the virus at this point isn't feasible. "A pandemic is not inevitable," said Dr. Keiji Fukuda, the organization's deputy director general. "The situation is fluid and will continue to evolve."







A TEXAS classroom is disinfected (top), a Mexican soldier hands out masks (left), baby from U.S. tested in South Korea

JESSICA RINALDI/REUTERS JUNG YEON-JE/REUTERS LUIS ACOSTA/AFP/GETTY

As scattered and paradoxical as the international response may seem, at least one person watched it unfold with a satisfied smile. As a junior medical officer of health during the summer of 2003, David Fisman got a front row seat to the slow-moving catastrophe known as SARS—an outbreak that forced a world of change on Canada's hidebound network of public health agencies. The sense of administrative disorganization, backbiting and non-accountability the pandemic exposed gave rise not only to a new spirit of co-operation, he notes, but the public health body for which he now works.

Today, the young epidemiologist lies about as close to the centre of pandemic planning as a doctor can get: he constructs, coordinates and refines mathematical models of disease outbreaks for the Ontario Agency for Health Protection and Promotion, a job that depends on the quick dissemination of comprehensive data. From his point of view, the response to swine flu illustrates how well the system can work. "I'm not normally a big cheerleader," he says. "But when SARS hit, those of us who thought modelling could help disease control interventions were actively discouraged in our efforts. There was so much concern [in Ontario] about the wrong people finding out about disease trends, we weren't allowed to look at the data."

How smoothly is information flowing now? By Wednesday—the day the Winnipeg lab identified the virus—Fisman had been alerted, and was in touch with the handful of Canadian academics engaged in the obscure art of computer-aided modelling. By Thursday, his superiors were asking what sort of data he needed, which other experts he might bring in to help. "It was 'can you model this? Can you model that?'" he says. "It was just marvellous."

Fisman wasn't the only one looking ahead. Hospital officials and chief medical officers across the country have spent the past five days brushing up on Canada's newly updated Pandemic Influenza Plan—a 550 page battle strategy rewritten in the wake of SARS, which will govern the country's response should swine flu turn deadly. Today, the document seems both prescient and frank. It predicted, for instance, that a virus would originate outside the country. It warned that the pathogen would likely develop in birds or swine. It predicted that international air travel could bring it to our doorstep more quickly than expected (on average, it takes a flu bug three months to make its way from some other part of the globe).

What damage influenza H1N1 will wreak in Canada remains to be seen, of course—there's still not enough data for Fisman and his modellers. But the pandemic plan doesn't mince words about the potential impacts. A new, untreatable flu virus would infect up to 70 per cent of Canadians, it says, making as much as 35 per cent clinically ill and sending more than a million of those who are ill to hospital. The death toll would hang on a number of variables, from the susceptibility of the new germ to existing remedies to the effectiveness of public health measures. But without interventions in the form of effective antivirals or vaccines, a mild to moderate pandemic would produce a 0.4 per cent fatality rate among those who fall ill. By the plan's own math, that could be as many as 47,000 people.

To be sure, the early signs point away from a worst-case scenario. As of Tuesday, April 28, Canada had just 13 confirmed case of human swine flu—four in Nova Scotia, four in Ontario, two in Alberta and three in B.C. Each was described by officials as mild, and each involved a person who'd recently returned from travel to Mexico. Better yet, the virus appears to respond to antivirals like Tamiflu, while researchers in the Winnipeg lab and elsewhere around the globe are already working on a vaccine.

Still, say leading experts in infectious disease, no one should fantasize that Canada will be spared in the event of a serious outbreak. Late Monday, the federal government issued its own carefully worded travel advisory, warning citizens of this country to avoid non-essential travel to Mexico. (The following day, federal Health Minister Leona Aglukkaq also announced plans for "enhanced screening measures" on airline passengers arriving from Mexico, without specifying what those would be.) To Dr. Allison McGeer, director of infectious disease control at Toronto's Mount Sinai Hospital, such measures are almost pointless. "If this is going to be the next pandemic," she says, "you're going to be exposed to it somewhere. We know that influenza viruses don't need aircraft. They may find aircraft convenient, like people do. But they don't need them and there have been a whole series of studies showing that closing borders, travel restrictions and screening at borders don't work."

While he didn't say so, the country's chief public health officer seemed to share McGeer's views, adopting a decidedly fatalistic tone in his public statements. "We will likely see more cases. We will likely see more severe illnesses," Dr. David Butler-Jones told reporters Monday. "And we will, likely, unfortunately, see some deaths as well. We hope not. But that is a part of an influenza outbreak of any type." Butler-Jones was speaking just a few hours before Canada semi-lifted its travel advisory—a move of which he was no doubt aware. At the time, though, he seemed to put more stock in small measures Canadians could take to avoid transmitting the flu amongst each other. "Wash your hands," he said simply. "Cough into your sleeves."

Of course, one man's fatalism is another's realism, and it goes without saying that Butler-Jones had one eye on events in Mexico. The news there did not inspire confidence. For each statement of bold action on the part of the Calderon government, some afflicted citizen wondered aloud why the pharmacies had run out of antivirals—or why no one in the public health apparatus had taken note of their plight. Gerardo Leyva, a 39 year-old, was one of the first Mexicans to die of swine flu, after falling ill two weeks ago. According to his widow, Antonia Cortes Borbolla, no one from the national health secretariat had come by their home to talk to his family or inspect his home. She was not even aware that it was swine flu that took his life on April 20 until a journalist contacted her.

Health workers took the temperatures of airline passengers from L.A.

That sense of chaos has prevented experts abroad from determining exactly what has happened, while the many biological mysteries surrounding the pathogen itself has stopped them from getting a full grip on what lies ahead. Will it develop a resistance to antiviral drugs? Why has it killed Mexicans, but no one else? "Either the virus is different or the conditions are different," observes the University of Ottawa's Brown. "Or it's a combination of both."

Allison McGeer foresees three possible scenarios, the least likely of which is the virus mutating into something more deadly. "In my view this is now the same as any new human influenza virus," she says. "In general, if they do anything, they tend to get less severe over time." But even that is rare. The most likely eventuality, she says, would see the germ maintain its current virulence, sickening people just as other flu bugs do, and fading away in the expected two- to three-month period.

Yet even that, she warns, is reason to keep up our guard. Flu bugs can come in waves, and if past experience is any guide, the first wave of swine flu will hit before a vaccine is available—probably next fall, says McGeer, but possibly as early as mid-summer. A flu we don't treat quickly will rapidly fill up hospitals. It will overwhelm the health care system with patients suffering relatively minor symptoms. It will claim the lives of the frail and elderly, leaving many of us wishing we could have done more. Under the circumstances, coughing into your sleeve won't seem nearly enough. M

With Nicholas Kohler, Nancy Macdonald, Sarah Elton and Augusta Dwyer





'I'M SORRY, I'M SORRY, I'M SORRY'

A murderer, his victim's daughter, and an unlikely bond

BY KEN MACQUEEN • The bones of this story can be told in two deceptively simple sentences written by Margot Van Sluytman, a poet who lives in Calgary with her two daughters and the memories of a father stolen from her on an Easter Monday, 31 years ago. She wrote: "The man, Glen Flett, who murdered my Dad, wrote to me. And I chose to respond."

The man, Glen Flett, who murdered Ted Van Sluytman at a Hudson's Bay store in Eglinton Square mall in Scarborough, Ont., is sitting across the table of a Greek restaurant in Mission, B.C., where he lives. He is now 58 years old, more than one-third of those spent in Canadian prisons. The evidence is written in deep creases cross-hatching his face. The truth is, though, Flett looks better than he has in years. He seems younger, healthier, and lighter in spirit. He is talking about Margot Van Sluytman, and the unlikely kinship that they have developed over the past two years via a steady email correspondence and a few powerful face-to-face meetings. It's strange, says Flett: "Victims and offenders have a huge amount in common."

What Flett and Van Sluytman share is the memory of Ted Van Sluytman, who worked in the menswear department at the Bay. He was a fourth-generation Guyanese of Dutch and Portuguese descent who moved his family to Canada in 1969. He thought it a safe haven. Margot was his doting 16-year-old daughter, one of four children. Flett's memories of him consist of a frantic, violent 10 or 20 seconds on the afternoon of April 27, 1978. Time enough for a tussle as Van Sluytman, 40, stepped into his path as Flett and an accomplice, Dennis Dubinsky, fled after robbing an armoured car guard of the store's cash deposit. Time enough for Dubinsky to shoot Van Sluytman in the back as Flett shot him point-blank in the left front shoulder. Time enough to hear him cry out and fall unconscious to the floor. "I was 27 but I probably looked like I was 24," Flett says. "I'll never forget when he grabbed hold of me, he said, 'Give it up, son. It's not worth it.'"

"If your husband might want to say sorry, just even in a short email to me, I would appreciate that."
Sincerely, Margot Van Sluytman

It was Sherry Edmunds Flett, Glen's wife, who sent "The Email," as Margot calls it, the one that set her and Glen on a path to reconciliation. It was a bit of an accident, probably, but Sherry is a strong woman with a way of cutting through the crap to get things done. She was an adult education teacher who married Glen while he was still in prison. That was some 22 years ago. He had turned his life around, and had embraced Christianity. In 1992, the year Glen was paroled, they founded an organization called LINC (Long-term Inmates Now in the Community). It is a self-help charity run by ex-inmates with the aim of reintegrating former prisoners back into society. Sherry is LINC's executive director and Glen works directly with inmates, escorting them from prison into the community, helping them access services and find housing. The job is all-consuming, and in 2005 he suffered what amounted to a breakdown. He was pulled over by police. He was intoxicated and carrying a loaded handgun. In sentencing, Justice Ronald Caryer called him a "ticking time bomb." Remarkably he sentenced him to a minimal year in jail. The judge noted his stellar work with LINC, and urged Flett to let go of the mistakes of his past, adding: "He is riddled, addled and saddled with guilt, some of which he should be, some of which he is carrying when he shouldn't." The ghosts of the past, Sherry knew, had to be confronted.

Sherry learned from a friend about Margot's work as poet, publisher and writing coach with a special emphasis on writing as a form of healing and therapy. Glen had tried in the past to contact the Van Sluytmans only to be told by intermediaries that the family wanted no dealings with him. Nonetheless, Sherry used PayPal to send what she thought would be an anonymous $100 online donation to Margot's Palabras Press. Her name, however, remained on the emailed donation, and 30 anguished minutes later, Margot wrote back. She asked if Sherry was the wife of the man who killed her father. "You've put your foot in it now," Flett told his wife. "You have to answer that." She wrote back.

"I am married to Glen Flett. I am sorry if I have offended or hurt you in any way."

The correspondence began, tentatively, first with Sherry acting as an intermediary. Finally, Glen wrote directly. *"Dear Ms. Van Sluytman. I read your words and truthfully I am without words. For so long I have prayed for this moment. Every day I pray that some how you and your family have been able to move on from the despicable thing I did. Everyday I say I am sorry but it never seems enough. I don't expect you to ever forgive me but I so hope that your wounds are healing. I would like you to know that I have put my whole heart into being a different man than I was."*

Van Sluytman believes in words, but what to make of these? She teaches workshops on the healing power of writing. She received an award from the National Association of Poetry Therapy. She has always been a writer and in the years since her father's murder words offered what little solace she could find. She left home, and struggled through high school. She entered and quit the University of Toronto. There was a half-hearted attempt to overdose on pills. She enrolled in college. Married. Drifted through a variety of jobs. Divorced. Moved with her children to Venezuela. Then to Guyana, and finally back to Canada. "And could not," she would later write, "no matter how many books and poems I wrote, stop carrying the pain of Dad's death."

Her jumbled thoughts have became her latest book, *Sawbonna, Dialogue of Hope*. Sawbonna, or Sawubona as it is often spelled, is a Zulu form of hello, meaning "I see you." It became a greeting she and Flett used, one that well describes the unflinching torrent of emails that weave through the book.

Van Sluytman, 47, is an intriguing mix. Her writing is sensitive and spiritual, in a New Age sort of way. Yet, on the phone from Calgary, she is blunt and frank, with a good command of earthy Anglo-Saxon. "I see this man," she says, referencing the title of her book. "He knows he f--ed with my life royally. He knows that, and it matters to him. And I am grateful for that." And so the emails continued, and she allowed herself to trust.

Still, she had doubts. Her family had no part in this. Was she betraying them, and her father? She decided she had lived too long with grief. She needed this connection. "I wanted my life back," she says. They decided it was time to meet.

"Hello. I am Glen's kid. Victoria. How are U. Its sad that your Dad got killed by my Dad. But my Dad knows that he did bad. But he is way way better now he is a great guy. And I am happy that U know that my Dad is sorry. Look forward to seeing U. Love, Victoria [then, age 10]"

'HELLO. I AM GLEN'S KID, VICTORIA. HOW ARE U? ITS SAD THAT YOUR DAD GOT KILLED BY MY DAD.'

For their first meeting, July 14, 2007, the Fletts chose Westminster Abbey, a Benedictine monastery on a rise above the Fraser River in Mission. Sherry picked Margot up at the airport and delivered her to Glen. Van Sluytman remembers it this way: "I said to him, you must be John Glendon Flett. And he said, Yes. And I said, I am Margot Van Sluytman. And we looked at each other and we started to cry. And we hugged. And we cried for awhile and he said: 'I'm sorry, I'm sorry, I'm sorry.' And I said, I know. I believe you."

There have been a few meetings since. And first by happenstance and then by design, she began conducting writing workshops in jails and remand centres. Her work has come to parallel Flett's, and she has sought his advice.

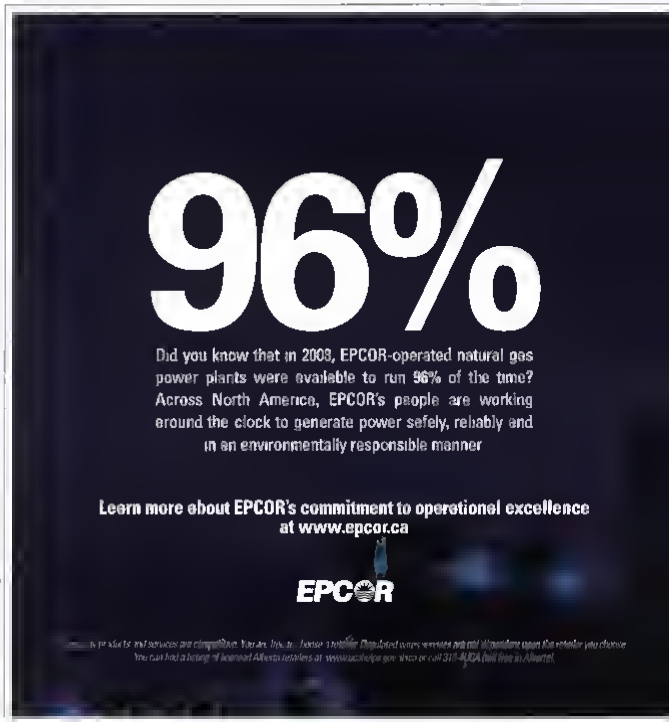
This week, she is back in Mission to appear with Flett at a forum marking National Victims of Crime Week.

It took almost 30 years to meet one of her father's killers, to get her questions answered, and to see they were both locked in a sentence running since April 27, 1978. She accepted his apology at the abbey because she needed the release as much as he did.

She will not prescribe such reconciliations for others. But for her, she says, it is a small miracle. She and Flett see Van Sluytman's last words as a gift for both of them. "I don't think he meant malice to me," says Flett. "He didn't try to hit me or beat me. He just said, 'Give it up, son.'" To Margot they are an affirmation of her father's character. "He was a really gentle guy. But I've got to tell you," she says, "I'm not sure those are the words I would have said." M

FLETT and Van Sluytman at Westminster Abbey, in Mission, B.C., where they first met

PHOTOGRAPH BY RICK COLLINS



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The Second Coming of DAN BROWN

A new movie. A new book. Get ready for a new wave of 'Da Vinci' fever. BY BRIAN BETHUNE

media

Dan Brown's back, and in a big way. Six years after *The Da Vinci Code* took over the bestseller lists, and three years after the Hollywood adaptation became the second highest grossing movie of 2006, the film version of Brown's *other* novel about Harvard symbologist Robert Langdon arrives in theatres on May 15. More exciting for Brown's fans—not to mention for a publishing sector almost as hard hit economically as automakers—is the news his long-delayed third Langdon thriller is finally set for release. In September, five million hardcover copies of *The Lost Symbol* will go on sale, bearing a massive weight of expectation not only for Brown, but for an entire industry. No longer just the guy who popularized the notion that Jesus Christ had a family with Mary Magdalene, Brown is now cast as the Man Who Will Save Publishing. Talk about pressure. The mega-selling *Code* is a tough enough act to follow, but Brown's chances of rescuing the book trade are no better than his chances of ruining it.

Brown, 44, has been a fairly prolific writer since he switched careers from singer-songwriter in 1994, and *The Lost Symbol* has probably been ready for years. But neither Brown nor his publisher, Doubleday, had any compelling financial need to jump on their own bandwagon any sooner. Estimates of Brown's earnings from *The Da Vinci Code* tend to swirl around the figure of $250 million. The book stayed on bestseller lists for nearly three years, often—in an even more remarkable publishing first—sharing Top-10 listing with its own illustrated version. The total number of copies in print is now a staggering 81 million.

Yet if Brown isn't hurting for money, the same can't be said for the book trade. Wracked by layoffs and dwindling sales, and troubled by the arrival of new—and potentially less profitable—content delivery systems, it's more dependent than ever on blockbuster titles. Recent British figures show that just 500 authors, out of a total of 120,000 who earned any royalties, accounted for a full third of $3.6 billion in sales last year.

But the *Harry Potter*-level sales figures did not derive from the *Code*'s easy-reading mix of ingenious puzzles, frequent cliffhanging moments, a glamorous Parisian setting and a sadistic albino killer monk. The pop culture buzz was generated by the scandalous backstory, presented as fact. The Holy Grail at the heart of the plot was not, as traditional accounts held, the cup Christ used at the Last Supper, but the bones of Mary Magdalene and documents proving her marriage to Jesus. Early Christianity, according to the *Code*, once embraced the "sacred feminine" before misogynist clerics ripped that element out of the faith and demonized women as sexual temptresses, while suppressing all knowledge of Jesus as husband and father.

The novel arrived at a time when public opinion was deeply alienated by the pedophile scandal in the U.S. Catholic Church. The anger of established authority over this fanciful alt-history of Christianity only reinforced the views of its supporters that the truth had been repressed for centuries. Fans were not content simply to read it, but swarmed European sites associated with the story, to the extent that in September 2004 the French hamlet of Rennes-le-Château exhumed a long-dead priest and reburied him in a tourist-proof concrete grave. It all proved to be literary Brownian motion, a book form version of Scottish botanist Robert Brown's theory about the tendency of tiny particles to create random patterns. *The Code*, in short, aligned with the zeitgeist as few novels ever have.

Does Brown stand a chance of seeing such a pattern re-emerge? Not if the bar is set at the 81-million copy level, but in terms of everyday bestsellerdom, his prospects aren't bad at all. Little is known of *The Lost Symbol*. The April 20 announcement of its fall release included only the title and that the story unfolds over 12 hours. But Brown long ago confirmed that Langdon's third case, under the working title of *The Solomon Key*, would be set in the Wash-

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ington area and involve Freemasons, another of the Church's centuries-old enemies (Like the Knights Templar and the Illuminati, papal opponents in Langdon's first two adventures, the Masons are a staple of alternative, secret-society histories of Western civilization)

Brown and Doubleday are not alone in cheering for *The Lost Symbol*. The author has been a money-spinner for a host of other players, including the mass media and the publishers of some two dozen commentaries on the *Code*. So the scraps of known fact were enough to have already sparked the publication of guides to *The Solomon Key*, their pages filled with historical references to Freemasonry and to the actual *Key of Solomon*, a medieval book of magic and demonology. Greg Taylor, author of 2005's *The Guide to Dan Brown's The Solomon Key*, reacted to news of the title change with disappointment but expressed, fingers visibly crossed, his confidence that the content of the novel was unchanged.

Washington may not be Paris or Rome, Brown's previous settings, but it and the more esoteric parts of American history are of abiding interest to Brown's countrymen. That was proven by the success of Nicolas Cage's two *National Treasure* films (2004 and 2007), which mined much the same territory via the Masonic allegiances of America's founding fathers (including George Washington), and the all-seeing eyeball and pyramid featured on U.S. currency. Brown too has long been fascinated with the capital's symbol-rich environs. The *Da Vinci Code*'s book jacket includes text printed backwards that, when held to a mirror, reads, "Only WW knows." That's a passage taken from the sculpture *Kryptos* (meaning "hidden"), situated on the grounds of CIA headquarters in Langley, Va. Erected in 1990, sculptor Jim Sanborn's S-shaped copper screen resembles a scroll, or a computer printout; it's covered with four encrypted messages, each in a different cypher. Teams of analysts have cracked the first three parts, but the fourth remains elusive.

Among the deciphered parts is the sentence on the *Code* cover: WW is William Webster, former CIA director, to whom Sanborn handed an envelope with the solution. Sort of, that is. "I wasn't completely truthful with the man," a laughing Sanborn told *Wired* magazine. "I mean that's part of tradecraft, isn't it? Deception is everywhere—I definitely didn't give him the last section." If Langdon can make progress on *Kryptos*'s stubborn fourth part—and if Brown manages to entangle the Catholic Church in his hero's affairs once again—*The Lost Symbol* seems likely to stay on bestseller lists a long, long time.

That's good news for him and his publisher,



The author has been a money-spinner for a host of players, including the mass media

but matters are less straightforward for the rest of the book trade. Only a portion of *The Lost Symbol*'s five million copies will land in actual bookshops. Online realtors, department stores, drugstores and even supermarkets will take their share, almost all of them selling it at steep discounts. Already, *Amazon.ca* is offering pre-orders at 50 per cent off the $36.95 cover price. Independent bookstores, which need every slice of profit margin they can get, typically sell books at full price, and Richard Bachmann, owner of A Different Drummer Books in Burlington, Ont., doesn't expect to sell many. He thinks he's well out of what he calls "a race to the bottom—here's a book people know they can sell, and what's their first instinct? Sell it below cost."

Worse, other publishers may rethink their launch dates in order to put some breathing space between their titles and Brown's juggernaut. The Hachette Book group—whose prominent authors include Stephenie Meyer and Michael Connelly—has already announced it's doing just that. So independent shops, which could otherwise look to other big-name writers to fill their Brown-less void, may have less to offer than in past fall seasons. Far from saving the day, *The Lost Symbol*'s initial surge could prove to be another blow to the most vulnerable sector in a beleaguered industry.

The *Angels & Demons* film, on the other hand, has a better chance of providing a happy ending for all involved, always excluding the Catholic Church. Again directed by Ron Howard, it once more features Tom Hanks as Langdon, racing against time to prevent the Illuminati from destroying Rome with antimatter while the Church's cardinals are gathered there to elect a new pope.

The CERN particle physics laboratory in Geneva, Switzerland, where the antimatter was developed, calls in symbolist Langdon because a quarter gram of it has gone missing. And one of its physicists—who was also a priest—was found murdered, his eye gouged out and his chest branded with the ambigram "Illuminati." (An ambigram is an "ambiguous anagram," a typographical design that spells out a word or words from more than one perspective. American graphic designer John Langdon is one of their foremost popularizers; he provided ambigrams for the *Angels & Demons* cover, and a name for Brown's hero.)

Langdon heads to Vatican City after he learns that's where the Illuminati have hidden the antimatter, enough to blow up the city state, and finds that the four leading candidates for pope are missing. He attempts to find them and the antimatter by following the "Path of Illumination," riddles hidden in plain sight at Roman landmarks. Armed with his occult expertise, he sets off on the path, only to find one dead cardinal after another, each killed in suitably symbolic fashion.

In other words, *Angels & Demons* is more of what made *The Da Vinci Code* tick, albeit without the enticing bride of Christ back drop: more intricate puzzles (including ambigrams by the job lot) and more bizarre murders, all set in art-rich, religiously significant sites. Best of all, the Church hates the film every bit as much as it loathed its predecessor. The Vatican refused permission for filming in Roman churches—a ban Howard got around by sending in cameramen posing as tourists—but it has yet to call for a boycott. But the film's marketers can still dream. P.G. Wodehouse liked to say that a bishop's denunciation from the pulpit was "worth 50,000 in sales," so a cardinal's censure should be box office gold. If the Vatican doesn't play its usual role in *The Lost Symbol*, Doubleday can only pray that the Masons have the same Midas touch. M



STOP THE PRESSES. . .SORRY STRUNK, SORRY WHITE

"An article on Wednesday about a 50th-anniversary edition of the book *The Elements of Style* overlooked an element of style in *The New York Times Manual of Style and Usage* in referring to Roger Angell's introduction for the fourth edition of the book. He wrote the foreword, not the 'forward.' (As *The Times* stylebook notes, a 'foreword' is the word before Chapter 1.)"—The *New York Times* corrects its grammar in a story about grammar, April 23



LAMBERT is perhaps the most intriguing talent in the show's run: his rendition of Johnny Cash's *Ring of Fire* was weirdly epic and erotic

Adam Lambert can't win? Come on.

Claiming a male singer who wears eyeliner isn't 'American Idol' material is misguided

BY AARON WHERRY • Appearing on *American Idol* recently, Miley Cyrus, the reigning princess of Middle America, met Adam Lambert, the gothy favourite to win this year's contest. "Adam said I looked gorgeous, which was nice," Cyrus later told Ryan Seacrest on the *Idol* host's radio show. Asked about the potential for romance, Cyrus was less enthusiastic. "He's not my type," she reportedly said. "He wears eyeliner."

Perhaps Cyrus was trying to be polite. For sure, there are greater obstacles to any potential coupling. For one, Lambert, 27, is 10 years Cyrus's senior. For another, Cyrus is a girl. And Lambert is quite possibly gay.

Aside from affecting his romantic options, Lambert's sexuality wouldn't seem to be much of a limitation, at least so far as his career is concerned. Numerous gay musicians have won popular and critical acclaim; pop music and gay culture have often intersected. But his presence on *Idol* has prompted an altogether remarkable question, one posed by no less than the *New York Times* recently: can a gay contestant win?

Asking the question reveals certain assumptions about *Idol*. That it is the exclusive domain of conservative Middle America. That the typical viewer is a 12-year-old girl or 52-year-old mother who goes to church and voted for Bush. That, to put it bluntly, only rednecks watch *Idol* and rednecks don't like gay people, so a gay person can't win. There may be some truth to this. Though it fails to explain why the teenage girls in *Idol*'s live audience each week scream at the sight of Lambert's made-up eyes. For the record, he has not clarified his sexuality, and most of the evidence for the claim—the falsetto, the musical theatre background, the fondness for Cher—has been anecdotal at best. Except, perhaps, for the leaked photos that show him with his tongue in another man's mouth.

When Fox News' Bill O'Reilly did a segment on Lambert, the photos were cropped to spare his viewers the sight of two male tongues touching. Overt sexuality—gay, straight or otherwise—is not something Fox's *Idol* typically encourages. Previous gay contestants have admitted their sexuality only after leaving the show. As Katherine Meizel, an American academic who has written extensively about the politics of *Idol*, says, "It's probably the one identity marker that isn't packaged explicitly on the screen." Season seven contestant David Hernandez was voted off shortly after his history as a male stripper was revealed on the Internet, and he recently linked his dismissal to his gayness. "That's Middle America for you," he surmised.

Beware the simple explanation, though. The week of his dismissal, Hernandez's performance was deemed "overdone" and "verging on desperate." And, though generally a bit cheesy, *Idol* is not to be confused with the entertainment portion of a Republican convention. Last season's finale included an appearance by George Michael. Two years ago, the Bush-bashing punk band Green Day played the finale. The first theme week this season was dedicated to the music of Michael Jackson. "The producers I think are really, really smart," says Meizel. "And they're really aware of the diversity of American values."

The voting public has proved similarly apolitical. Season three's winner, Fantasia Barrino, was a single black mother. In season five, a grey-haired 29-year-old soul singer (Taylor Hicks) beat a leggy, black-haired Barbie (Katherine McPhee). In seven seasons, four winners have been white, two black and one of mixed race—as Meizel points out, America elected a biracial Idol before it elected a biracial president. Only one winner—Carrie Underwood in season four—has vaguely resembled the typical pop tart. With a few debatable exceptions, the most compelling contestants have fared best. And Lambert is perhaps the most intriguing talent in the show's run: a strutting, sexually ambiguous heartthrob with pouty lips and glam rock bombast. His Middle Eastern influenced rendition of Johnny Cash's *Ring of Fire* was weirdly epic and erotic. He performed Jackson's worst hit, *Black or White*, without seeming completely ridiculous—all while vaguely resembling a vampire from *Twilight*.

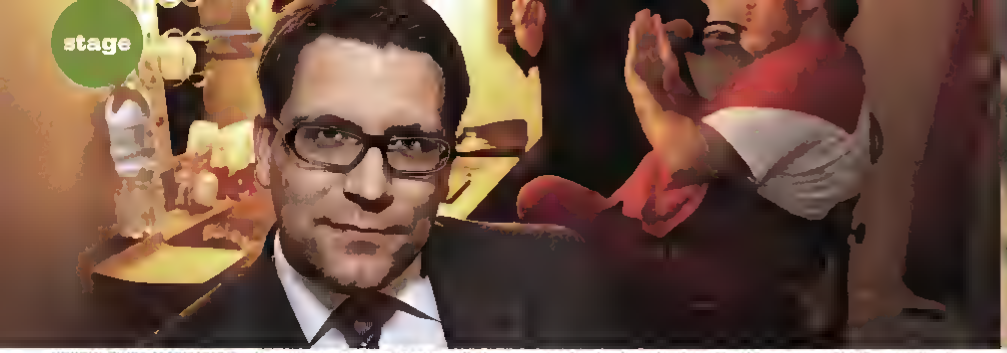
In other words, he is a walking manifestation of pop music and, consequently, America. And should he win, should he prove at least as American as Miley Cyrus and Bill O'Reilly, the central question of his candidacy will be promptly turned around. If a gay contestant can win, have we vastly misunderstood Middle America? M

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F. MICELOTTA/GETTY



ASHER ROTH. . . HAS SOMETHING TO SAY

Em was great, yeah he paved the way for me / he was inspiration for everybody from A to Z / but they keep relating me, I can't get away / chasing me (all day long) / I hear it (all day long) / and now the masters thinks that Asher wants to be a Marshall Mathers / they say Asher's not a rapper, naw he's actually just an actor—As I Em, from the CD *Asleep in the Bread Aisle*, in which white rapper Asher Roth struggles to get out from Eminem's shadow



HITTING THE RIGHT NOTES: The new Four Seasons Centre calls for more modernized productions like this season's *Fidelio*, says Neef



TYSON IN *Tyson*, the story of a fighting machine that spun out of control. 'I don't like the person I've become,' says the film's subject

Why the COC's betting on the house

The Canadian Opera Company's Alexander Neef talks about what he has to live up to

BY JAIME J. WEINMAN • Alexander Neef is like the star of an operatic home-makeover show: he's been given a big new house and has to figure out what to put in it. The 34-year-old has been general director of the Canadian Opera Company since June of last year, he recently helped select conductor Johannes Debus, a fellow German, as his musical director. While he hasn't had a chance to initiate new productions yet, he already knows what the company's main selling point is. "The first and major attraction, before I got to know the company, was the new opera house." The opening of the Four Seasons Centre in 2006 created huge expectations, but the more important question may be: can the COC's new chief live up to them? "Building the house was a big achievement," he says. "Ironically, it asks for an even bigger achievement."

Neef, who spent the last several years as casting director at the Paris Opera, was chosen for the COC after a year-long search that followed the sudden death of the previous general director, Richard Bradshaw, who gets a lot of the credit for getting the house built. Bradshaw believed that a world-class opera house could turn Toronto from a second-tier opera location into the kind of place that would attract the best stars and directors, it certainly attracted Neef, who was carried away by the look of the place even before he'd ever been to Toronto. "Though I'd only seen it on the Internet, it seemed like a very interesting space. And when I got here and got a tour of the building, I found it really is one of the most wonderful performance venues for opera, not only in North America but throughout the world."

But though the Four Seasons received great reviews, the COC still doesn't quite have a reputation to rank with the big companies of North America. Neef, who has worked with many star singers at the Paris Opera, hopes to change that by attracting some big-name singers with international reputations, using the house as bait. Signing stars, he explains, is not about paying top dollar but convincing them that "we can actually offer them the same quality conditions that they find in other houses in the world." Now that the Four Seasons has improved the COC's reputation, these singers might find it worth their while to sign up—which will improve the company's reputation still further.

An extra advantage of the building is that it helps the COC hold onto homegrown stars, like Adrienne Pieczonka and Isabel Bayrakdarian (who continue to sing with the COC). "Their attitude has changed substantially since the new house opened," Neef says of Canadian stars. "It's not only about singing at home anymore. It's about singing at home and having a satisfying artistic experience."

But if Toronto operagoers can expect to see more star singers, they can also expect to see more productions where the director is the real star. Neef has expressed some admiration for the modernized productions that are popular in Europe, and the COC was already moving in that direction before he arrived; this season's production of Beethoven's *Fidelio* was a co-production with a European opera house, and the setting was changed to a 20th-century bureaucracy. Though Neef says that the COC will continue doing traditional productions, he's all for this kind of approach to certain operas: "One of the problems I have with very traditional productions is that the drama is hidden behind very sumptuous costumes and sets." When the COC didn't have a permanent home, it could afford to stage comfortable productions, now that it has a major league opera house, it has to operate like a major-league company—which, today, means doing productions that are either borrowed from Europe or might as well be.

But whichever type of production you prefer, the COC's climb up the status ladder will be helpful, especially when it comes to the supply of wealthy donors. While many opera companies around the world are having trouble raising money, Neef has discovered that his new company has "a very loyal and supportive donor base." What keeps the COC's donors coming back is that they have an interest in the success of the theatre, which their donations helped build in the first place. "The building of the house has brought supporters and the company much closer together," Neef says. "There's a shared pride that makes a very strong link." It's up to Neef, Debus and their colleagues to make the COC worthy of the Four Seasons, but the building itself might be what helps the COC survive. M



PHOTOGRAPH BY ANDREW TOLSON

PERFORMANCE OF THE WEEK **TOAD SINGING**

The second annual international toad song contest begins May 10 in Germany, when fire-bellied toads from Denmark, Germany, Latvia and Sweden will compete for best voice. Last year's inaugural competition, organized by a nature conservancy in Schleswig-Holstein, was won by a Swedish amphibian. Contestants are expected to sound like "church bells underwater," organizers say, who plan to show the competition over the Internet.

The scary confessions of Mike Tyson

A new documentary has the heavyweight legend baring his soul with brutal candour

BY BRIAN D. JOHNSON • Who's the greater hero, Muhammad Ali or Mike Tyson? Obviously, it's Ali, no contest. They're both heavyweight legends who converted to Islam, and fought the law. But Ali was a noble war resister whose conviction for refusing the draft was overturned by the U.S. Supreme Court, while Tyson was the ear-biting thug who served hard time as a convicted rapist. Now let's rephrase the question: Which of the two men would make the more compelling protagonist of a Shakespearean play? In this case, the answer is clearly Tyson, a tragic hero defeated by staggering hubris. At least that's the impression created by a riveting new documentary that opens next week after its showing at Toronto's Hot Docs festival.

Directed by veteran filmmaker James Toback, *Tyson* makes no pretense at balance. Uniquely devoted to its subject's viewpoint, it unfolds as a bout of cinematic therapy, with the director in his corner as a sympathetic shrink. He puts Tyson on the couch—literally, his massive frame nestled in leopard-print cushions—and lets him pour out raw confessions for the camera. The movie is a bid to redeem Tyson's image, but what emerges is a portrait of profound and scary complexity. Within the beast lies the pummelled psyche of an idiot savant—a monster-in-rehab who bares his soul with brutal candour, and unlikely glints of intellectual prowess.

Punctuated with clips of prizefights, Tyson's interview plays on split-screens, his words echoing the rhythm of a boxer circling his prey. This documentary valentine finds poetry in the predator, but pulls no punches. On the phone from Los Angeles last week, Toback recalled Tyson turning to him after the film's Sundance premiere: "He said, 'I always wondered why people said they were scared of me. Watching the movie tonight *I'm* scared of the guy on the screen.'"

Tyson is the story of a fighting machine that spun out of control, a man who now says, "I don't like the person I've become." He was a bullied fat kid who learned to strike back, then a proud preteen thief who found a second home in correction facilities—and a surrogate father in trainer Cus D'Amato. "I was like his dog," says Tyson, sobbing. "He broke me down and rebuilt me." In his first title match, he demolished Trevor Berbick as Ali cheered him on. Tyson remembers burning with gonorrhea, but staying focused on driving his fist through the back of his opponent's head. "People don't have the slightest idea how hard it is to break somebody's eye socket," he says with clinical pride. "It's all about the skill, the speed, the accuracy."

Tyson makes no apology for the crimes that define his legacy. Referring to Desiree Washington, he claims he was "falsely accused of raping that wretched swine of a woman," although he has the gall to admit he may have taken advantage of *other* women. It's chilling to hear him talk about his desire to dominate strong females. "I want to ravish them completely. I love saying 'no' when I'm making love. Always 'no.' I don't like being loved." As for sinking his teeth into Evander Holyfield's ear, Tyson says the man's headbutts had driven him "totally insane."

Madness is the one transgression that haunts him to this day. "He's engaged in an ongoing struggle with it," says Toback, who has served as a long-time mentor. They met when the boxer visited the set of his movie *The Pick-Up Artist* (1987), drawn to the director's reputation as a legendary womanizer. Toback introduced Tyson to literature and philosophy, feeding him Nietzsche, Schopenhauer, Tolstoy and Dostoevsky. The boxer became a voracious reader, especially during his three-year prison term, half of it spent in solitary confinement. The director later cast him in his screen debut, an explosive cameo opposite Robert Downey Jr. in *Black and White* (1999).

In the documentary, a more fragile Tyson wrestles with his demons, displaying a mongrel mix of eloquence and malapropism. "He has several voices going on in his head at the same time," explains Toback, "all vying for privacy." That may prove elusive. Now there's talk of a Hollywood biopic. "Jamie Foxx is obsessed with playing Tyson," says Toback, "and Mike wants it to happen, so it probably will." Toback says you couldn't pay him enough to direct it, not while Mike is alive. Besides, he adds, with a heavyweight's immodesty, his is "the definitive work on this subject." M

ON THE WEB: Exclusive videos of Tyson and Toback from Cannes at **macleans.ca/tyson**



WE'RE STALKING **SUSAN BOYLE**

The matronly singing sensation of *Britain's Got Talent*, who became a global YouTube sensation, has had a makeover, changing her steel-wool hairstyle to a trimmed, auburn-tinted do, and the caterpillar eyebrows are tweezed. Says Boyle of her homely former look: "It wasn't until I saw myself on TV that I realized how frumpy I was. I looked like a garage. I didn't realize I could reduce people to tears, and I hope it wasn't because of that."



CHRISTOPHER PAUCHAY (left) was found guilty of negligence in the deaths of his daughters, seen here with their mother, Tracey Jimmy



IGNATIEFF, 'once genuinely engaged by Iraq and Bosnia,' says Steyn, now 'reduced by ambition to peddling what he knows to be bilge'

Iggy's morally contemptible words

His version of what happened to 'the sick little girls' amounts to tasteless opportunism



MARK STEYN

The other day the *National Post* ran an excerpt from Michael Ignatieff's new book, *True Patriot Love*. Most of it was just the usual boilerplate hogwash apparently obligatory if one fancies oneself a member of the intellectual wing of the Canadian establishment. You know the sort of stuff.

"Most of us are quietly but intensely patriotic. Our nationalism exemplifies the paradox that feeling for a country increases with the difficulty of imagining it as a country at all."

Well, it's an improvement on his last book, whose general line was that feeling for a country increases with the difficulty of rousing oneself to finish a sentence about it. Returning to the Dominion of Paradox after spending his entire adult life abroad, Mr Ignatieff, Canada's prodiggy son, announced in the intro to his previous tome on the land of his birth that writing it had "deepened his attachment to the place on earth that, if I needed one, I would call home." Gee, that's awfully big of you.

But evidently the spinmeisters nobbled him and demanded he oomph it up a bit for Vol 2. He never imagined he'd have to write a second book about Canada, but hey, maybe there's a book in that. Canada is an "act of imagining." [Note to agent: Check J. Ralston Saul didn't get to this one first.]

Anyway, the bit that caught my eye—and, indeed, made it momentarily stop rolling—was this:

"To imagine it as a citizen is to imagine it as a resident of Yellow Quill reservation in Saskatchewan would have had to imagine it, this Canada where two half-naked children died in a snow-covered field in the sub-Arctic darkness because their father tried to take the sick little girls to his parents and never made it, and all you can hope is that death was as mercilessly quick as the cold can make it. What does a resident of Yellow Quill imagine, what do we Canadians imagine our country to be, the morning we learn that children have perished in this way? It is surely more than just a tragic story of one family. It is a story about us."

It's tempting to respond, "Oh, bugger off, you ridiculous poseur," and pass on to something more rewarding, like Paris Hilton's Twitter feed. But the sedating pretentiousness of Mr Ignatieff's prose style shouldn't disguise the fact that this may be the most morally contemptible statement by a Canadian party leader since Confederation. (I'd be interested in alternative bids for that title, if you know of any. We may publish them as an anthology, although probably not a GG award-winning one.)

"Their father tried to take the sick little girls to his parents and never made it." I wonder what it takes to formulate it that way, knowing, as Ignatieff surely does, that Christopher Pauchay was drunk, so drunk that he was oblivious (or so we must presume, for he was found guilty merely of negligence, rather than sadism) to the fact that it was well after midnight, minus 50 with the wind chill, and he had dressed three-year-old Kaydance and 16-month Santana only in T-shirts and diapers. At 5 a.m., Pauchay was found on a neighbour's doorstep, stinking of booze, frostbitten and aggressive, so that the RCMP were obliged to accompany the paramedics. It was not until eight hours later, in the hospital, that he mentioned the children.

As to "the sick little girls," Santana wasn't sick until her father's carelessness made her first ill, and then dead, and Kaydance's body was discovered with a cut on her leg, but, given the number of Pauchay's knives found scattered on his path through the snow, or the others his brother-in-law had seen him putting under the sofa that afternoon, there's no way of knowing whether, amidst the other abuses he heaped fatally on her, the cut was also her father's fault—or more benignly the consequence of a three-year-old toddling around in her diaper during her "parent's" all-day bender.

Why couldn't Ignatieff have used words like "drunk" and "abusive," or even "minus 50" and "dressed only in diapers"?

Oh, come on, be reasonable. He's a caring, progressive party leader. Can't go around being judgmental. Stick to the passive voice—"children have perished"—and the usual sentimental evasions. The price of "imagining Canada" Ignatieff style is that an awful lot of cold hard reality has to be discarded.

AS 'DISTURBING' AS THE POLL WAS, I FOUND THE MACLEAN'S SUB-HEADLINES RATHER MORE SO

As to the idea that it's "a story about us," no, it's a story about him: the vandalism he does to the memory of Kaydance and Santana Pauchay, the tasteless opportunism of cashing in on their fate by conscripting a grimly particular episode to the cheap generalities of societal guilt, the horrible glimpse inside the husk of a man once genuinely engaged by Iraq and Bosnia and reduced by ambition to peddling what he knows to be bilge.

To be sure, one could argue that it is "about us" in the sense that Christopher Pauchay wouldn't be taking his daughters for 50-below midnight strolls in diapers had the white man not unloaded the boat half a millennium ago. Or, alternatively, it's "about us" in the sense that the lavish government "compassion" and neo-segregationism of the last half century have inflicted far more damage on Canada's Aboriginal population than the dead sellers, mythical smallpox bearers, Victorian imperialists and Christian missionaries could have accomplished in their wildest dreams. I naturally incline to the latter view, which is no doubt "racist." But isn't the real racism Ignatieff's? In seeking, by his weaselly language and revolting argument, to burden all of us with Pauchay's actions, the Liberal leader is being the quintessential New Racist: he and I are sophisticated human beings who are accountable for our actions, but Christopher Pauchay is excused. To Ignatieff, Pauchay is not fully human, but something closer to a lame animal whom one cannot reasonably hold responsible for his moral choices. If I had to be on the receiving end of whitey's condescension, I think I'd rather be a "noble savage" than an incorrigible one.

Most Canadians—even Liberals, even Jack Layton—know this is not "a story about us." But then, as Tonto remarked in another context, "What do you mean, 'we,' kemo sabe?" Last week's *Maclean's* had a cover story about Canadians' "disturbing" attitudes to different religions. As "disturbing" as the poll was, I found the *Maclean's* copy editors' sub-headlines rather more so. The front cover roared: "A disturbing new poll shows the limits of our tolerance." "Disturbing" to whom, kemo sabe? Presumably not to the 62 per cent of respondents who think "laws and norms should not be modified to accommodate minorities." And surely, with numbers like that, there's a sporting chance a majority of *Maclean's* readers feel the same way. "This runs counter to all we espouse," complains the Angus Reid pollster. Again: what do you mean, "we"?

Kenneth Whyte, the head honcho of this magazine, claimed to detect "an unhealthily low level of tolerance toward immigrant communities," still." What would be the "healthy" level and can it be administered intravenously or would that only add to wait times at the Royal Victoria? My *Maclean's* colleagues seem perilously close to a maple-flavoured variant of the old Brecht line that we need to elect a new people.

Obviously, "tolerance" has to have "limits." Otherwise, it's just a fluffy euphemism for nihilism. We "tolerate" apartheid legal systems such as Yellow Quill's "sentencing circles." Should we, therefore, tolerate Islamic law? Indeed, are we still permitted to give any thought to the matter and weigh the differences between, say, common law and sharia? Or is Canadian style tolerance meant to be a blank cheque for any novelty item in the glorious multiculti mosaic?

And if the poll findings truly "run counter to all we espouse," maybe it's because you guys are espousing it so badly. When Michael Ignatieff insists that a "father" "trying" to take "two sick little girls to their parents" is "a story of us," he is inviting Canadians to collude in a lie as obvious as it is wicked. When he tells 30 million people at a time of economic recession that the country they live in can only be "imagined," the truly painful thing is how tired and fake it all sounds. Yet this dead, desiccated language has become the only acceptable form of public discourse about Canadian identity—even though, as that poll demonstrates, it's at odds with how actual Canadians think of their country. The story *Maclean's* couldn't quite bring itself to acknowledge last week is that, after 40 years of self-flattering Trudeaupian fantasy promoted relentlessly by every institution in society, huge numbers of Canadians "still" (Ken Whyte's word) don't buy it. Instead of recoiling in horror like Lady Bracknell, maybe it would be more useful to ask why?

Alas, the nation's "experts" have spent so much time "imagining a country" Ignatieff-fashion that they cannot bear a rare glimpse of the non-imaginary one. M

PHOTOGRAPH BY BLAIR GABLE
TROY FLEECE/CP

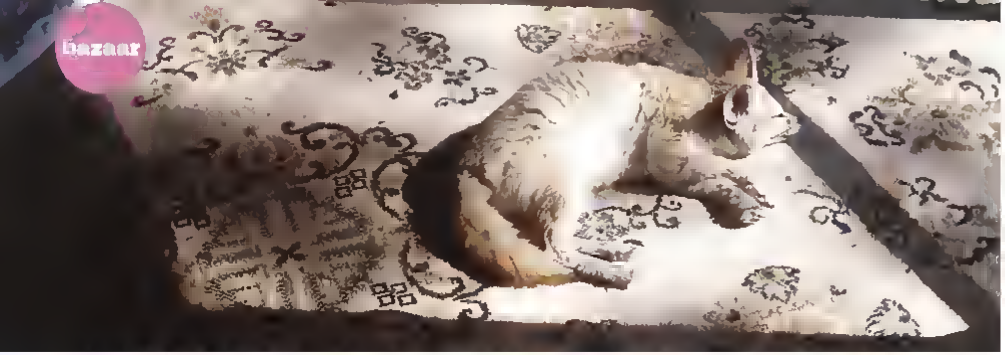
MACLEAN'S
BESTSELLERS
COMPILED BY BRIAN BETHUNE

Fiction

		LAST WEEK (WEEKS ON LIST)
1	**THE WINTER VAULT** by Anne Michaels	1 (5)
2	**TEA TIME FOR THE TRADITIONALLY BUILT** by Alexander McCall Smith	(1)
3	**THE GUERNSEY LITERARY AND POTATO PEEL PIE SOCIETY** by Mary Ann Shaffer and Annie Barrows	2 (15)
4	**THE CHILDREN'S BOOK** by A.S. Byatt	6 (2)
5	**STILL LIFE** by Joy Fielding	(1)
6	**ABOUT FACE** by Donna Leon	(1)
7	**GOING ASHORE** by Mavis Gallant	3 (3)
8	**THE SWEETNESS AT THE BOTTOM OF THE PIE** by Alan Bradley	5 (11)
9	**OLD CITY HALL** by Robert Rotenberg	(1)
10	**THE GIRL WITH THE DRAGON TATTOO** by Stieg Larsson	4 (30)

Non-fiction

		LAST WEEK (WEEKS ON LIST)
1	**TRUE PATRIOT LOVE** by Michael Ignatieff	2 (2)
2	**OUTLIERS** by Malcolm Gladwell	1 (22)
3	**THE CELLO SUITES** by Eric Siblin	3 (7)
4	**NOT YET** by Wayson Choy	4 (5)
5	**A HISTORY OF CANADIAN CULTURE** by Jonathan Vance	(1)
6	**COAL BLACK HEART** by John DeMont	(1)
7	**ALWAYS LOOKING UP** by Michael J. Fox	5 (4)
8	**FOUR SEASONS** by Isadore Sharp	(1)
8	**HOUSE OF CARDS** by William Cohan	7 (6)
10	**STEPHEN LEACOCK** by Margaret MacMillan	8 (3)



FENNEC foxes, like this one belonging to a Vancouver couple, cost about $1,500, their big ears make them look 'like a Disney character'

Pet foxes aren't for 'neat freaks'

They're playful but almost never housebreak. Oh, and there's that night digging thing.

BY JULIA MCKINNELL • For some, it doesn't get any cuter than owning a pet fox. One Vancouver couple is so besotted with their two tiny red foxes, Loki and Cairo, they document their adventures on a website, complete with pictures of the furry duo luxuriating in swaths of sunlight on a living room rug. Fennec foxes cost about $1,500; adults can get up to about four pounds. Loki and Cairo come from the now retired Vancouver Island fox breeder Christine Ham.

"In Japan, they're very popular and very expensive," says California pet fox breeder Sheri Hanna. "These guys are the smallest of the fox family, and they've got great big ears so they look like a Disney character. They're social and they tame down really easily. Plus, they don't have that musk gland thing, that odour other foxes have."

Hanna's male fox, Rex, befriends "anyone who comes over. He can't stand it—he wants to play with them," she says. "I can walk up to these guys and they roll over and squeal and want their bellies rubbed and their ears scratched. They're geared toward people. They're one of the few wild animals you can have in your house that get along with cats and dogs and pigs. They've very playful."

Christine Ham no longer breeds the animals but she's keeping her two foxes, Buzby and Willow. Ham loves her foxes but says they're not for everyone, singling out "neat freaks and people who are looking for a status symbol" as unsuitable owners. "Fennecs can get into a lot of trouble," she says. "They like to dig. Carpets are a 'no' in a Fennec home. They're known for stealing. They love to eat rubber, and people need to realize they almost never housebreak." In California, Hanna used to litter box train her young ones, she says. "But they never 100 per cent litter box train. Each one decides what it's going to do. I find they like to sleep in their litter box and poop in their bed. Or they'll leave a little cigar somewhere. They think it's fun to sleep in a litter box because they're geared for sand."

Fennec foxes were first imported to the United States in 1978 by an American oil worker, Garold Muth, who one day in Libya spotted one running across the road in front of his jeep and diving into a hole. Muth was "trying to figure out what it was," says Hanna, whose own foxes can be traced back to Muth's. "He ended up digging into the hole and grabbing the animal and putting it into his truck. Eventually, he was able to bring some back."

Hanna says the animals aren't loud, "but they might yodel if they want attention at night, during the digging, because they're nocturnal." That's one of the drawbacks, she says. "You would never have them in your room at night. You wouldn't sleep—the digging."

Online, about 2,000 Fennec fox owners in Canada and the U.S. chat on a regular basis, swapping stories and lending advice. Recently, several fox owners pitched in to help a panicked fox owner who wrote, "Ellie just got her head stuck under my bed and started flailing everywhere! Now she won't move her jaw. She's whimpering and moving in circles. Her ears are back and her eyes are shut and she's drooling. Please help." "Get her to a vet," came the advice. Yet finding a vet willing to treat a fox isn't always easy, says Hanna.

Dr. Chris Collis in Victoria, B.C., is the vet for Ham's foxes. In an email, Collis writes, "Fortunately, Fennecs are pretty low maintenance when it comes to medical care. They're much the same as small to medium size dogs. Christine and one or two of the people that have her pups are the only Fennec clients I've ever seen. I've received calls from other veterinarians asking about their medical care and they're sort of surprised to find out I treat them very much like puppies." (Ellie's owner later reported that "the shock [of getting stuck] wore off after about an hour. I was really worried. Thank you guys!")

Personality wise, Fennecs are a bit like dogs except "they don't have a desire to please somebody like a dog," says Hanna. "Things are on their terms. They have the independence of a cat. You're calling them by name and they're like, 'Not right now.' They've got stuff to do. They're checking things out or they're keeping an eye on you. They're prey animals in the wild, very low on the food chain, so they'll keep an eye on you." And "they're not malicious," she says, "but they're into everything. They'll snatch a sandwich out of your mouth and run off and hide it. They're like, 'Ew, what's that? Ew, let me see. Oh, what does that do? Oh, I didn't mean to do that but oh well. You love me anyways.'" M



WHAT THEY GOT FOR IT **A HERO DOG'S MEDAL**

A bravery medal awarded to Rip, a stray dog adopted by British air raid wardens in the Second World War, has sold at auction for $43,000. Rip was found orphaned after a 1940 bombing in London. He went on to become a rescue dog, sniffing out people trapped by rubble, and was credited with finding more than 100 bombing victims. Rip was one of only 62 recipients ever to receive the bronze medal, the animal equivalent of the Victoria Cross.

FENNECADVENTURES.CA

DOOMSDAY

We have a choice of many kinds of apocalypse



SCOTT FESCHUK

Regular readers value this column as a source of important information, such as how humanity may perish in a killer robot apocalypse. But this space is also useful for those with other interests, such as how humanity may perish in other kinds of apocalypses.

Welcome to another instalment of "What's Potentially Annihilating Us Now?"

Pandemic. We gave you a decade and you just couldn't get it done, bird flu. Swine flu, on the other hand, emptied streets, churches and bars across Mexico in less than a week, creating feelings of nostalgia for the good old days of murderous drug war crossfires. The outbreak even prompted our own federal cabinet to set up a completely new operations committee to "monitor the situation." H1N1 swine flu, meet your match.

Public health officials say this swine flu is difficult to combat because it's essentially an amalgam of four different viruses. As it spreads, the strain is constantly changing shape and mutating, like a microscopic version of Joan Rivers's face. Still, government is taking action. Canadians flying to Mexico are being handed a pamphlet advising them what they should do to try to avoid the flu. One of the things they should do is not accept pamphlets from strangers but, no, too late.

Asteroids. Earlier this year, a "skyscraper sized asteroid" passed within 80,000 km of earth—pants wettingly close in astronomical terms. A bigger rock is on target to come even closer around 2029. In fact, some researchers insist there's a 10 per cent chance our planet will be nailed by a "civilization wrecker" within the next century. (Television tried to fill that role but came up short as literacy endured in some isolated pockets.)

Thankfully, the recent International Academy of Astronautics Planetary Defense Conference brought together specialists in astronomy, orbital dynamics and blowing s–t up to plot our counterattack.

One idea involves setting off nuclear explosions near the asteroid. The force of the blast would allow scientists to alter the course of the deadly rock, making it miss the planet entirely—or not, depending on whether Scarlett Johansson agrees to attend the next Astronautics Planetary Defense Conference in a nurse's outfit. Your call, humanity.

Another concept: solar sails. Placing these on an asteroid would effectively turn it into a vessel that could be steered. The only downside? The rock would likely fall victim to Somali space pirates.

Global warming. A prominent scientist at the U.S. National Snow and Ice Data Center says the climate is changing at such a rapid pace that the Arctic Ocean could be "effectively ice free" as early as 2013. Sounds bad, but look on the bright side—the warmer temperatures may prompt Mrs. Claus to show a little skin. Sure, it's a bit of a drag that sea levels will continue to rise, wiping out whole islands and rapidly eroding valuable coastline. But that's a small price to pay for being able to show those polar bears who's boss.

Nuclear obliteration. There's Iran to worry about. And North Korea. Plus, short sighted governments continue to stand by idly and allow citizens to walk into a store and purchase 99 red balloons.

And now there's Pakistan. Even as it faces a growing Taliban insurgency, Pakistan's prime minister insists we can "trust" the security of its nuclear arsenal. This news is completely reassuring in the alternate universe where it's true.

The sun. Usually thought of as a benign presence responsible for life on earth and the invention of the halter top, the sun is actually a place of great volatility and explosive eruptions. Think of it as an interstellar Billy Bob Thornton.

According to what *Wired* magazine describes as a "chilling report," the year 2012 may bring solar storms with tremendous destructive potential. These geomagnetic events would unleash powerful flares capable of "short-circuiting energy grids" across the planet, causing trillions of dollars in damage and plunging humankind into the stone age. With my luck, it'll happen right after I drop 30 bucks on a blender.

Admittedly, a geomagnetic storm wouldn't kill anyone directly. But these flares—which are alternately described by scientists as "solar dilmaxes" and "coronal mass ejections," making this the dirtiest sounding of all the potential apocalypses—would serve as "the great off-switch in the sky," leaving us without electricity for years and setting off a global panic characterized by uprisings, war and chronic smoothelessness.

Is there anything we can do? Yes, yes there is. Researchers say we could add "some fairly inexpensive resistors in the ground connections [of our transformers]," significantly reducing the potential damage. Does anyone think we'll actually do this in time? No, no they do not.

Matthew McConaughey's new movie, *Ghosts of Girlfriends Past*. Exposure to the trailer alone is enough to cause a powerful longing for the sweet, sweet relief of death. M



As it spreads, the flu strain is constantly changing shape and mutating, like a microscopic version of Joan Rivers's face

ON THE WEB: To read Feschuk on the famous visit his blog **macleans.ca/feschuk**

GETTY. PHOTO ILLUSTRATION BY JAYME SPINKS

THE END

HANS EICHNER

1921-2009

He fled the Nazis, and was tormented by the fact he made his living studying and teaching German

Hans Eichner was born on Oct 30, 1921, in Vienna, Austria. He was the second of two boys, after Fritz, born to Sandor and Valli. The family lived in Vienna's predominantly Jewish Leopoldstadt district. When Hans was quite young, perhaps six years old, his father committed suicide after years of quarrelling with his brother, Hans' uncle. Hans' mother needed someone else to take care of her and the boys and she remarried—to a man who constantly shirked his responsibilities, "somebody he couldn't respect," Hans' wife, Kari Grimstad, says.



In March of 1938 Hitler's German Nazis annexed Austria. In November came Kristallnacht, a night of coordinated violence against Jews across Germany and Austria. Most of Vienna's synagogues were destroyed. "He and a buddy decided they couldn't stick around any longer. They got out," Grimstad says.

Hans and his friend made it into Belgium, where the Jewish Aid Committee fed them and arranged passage to England. As Hans was boarding the boat, the ticket agent balked: there was no entry stamp for Belgium in his passport, so how could he leave? He thought quickly. "If I don't have an entrance stamp and you don't give me an exit stamp, we're even, and I can board." And on he went to England.

But in May 1940, Britain rounded up thousands of Germans and Austrians as enemy aliens and deported them to Canada, Australia and the Isle of Man. Jews were shipped with Nazi sympathizers indiscriminately. Hans Eichner found himself in an internment camp in Australia. There the internees set up an informal university. Hans, whose work in Vienna had been various forms of manual labour, studied Latin, English literature and mathematics.

Back in England at the end of the war he enrolled in German studies at the University of London, progressing quickly to earn a doctorate. In 1950 he accepted a one year position at Queen's University in Kingston, Ont. On the boat up the St. Lawrence River he fell in love with the Canadian landscape and decided this was where he wanted to live.

From Queen's he went in 1967 to the University of Toronto where he became chair of the German studies department. His studies of Friedrich Schlegel and Thomas Mann made him a noted scholar around the German-speaking world. He also shone in the classroom. "Hans never went 'um,'" says Grimstad. "Instead you'd get silences, and that could be unnerving if you were a student sitting across the table from him. And eventually you would get this perfectly articulated answer."

He had been, by his own admission, a ladies' man, but his third marriage, to Kari Grimstad in 1985, lasted. He moved with her to Rockwood, outside Guelph, where she taught at the university. But he liked to do his writing in his cottage on a little island he'd bought in the Rideau Lakes of eastern Ontario.

All his life Eichner was tormented by the fact that he made his living studying and teaching German, the language of the people who terrorized the Jews of Central Europe. "It was his language too, you know," Grimstad says. He did not grow up speaking Yiddish or Hebrew. And yet it was also the horrible language of the Nazis too." Partly to come to terms with that conflict, and partly to chronicle the vanished Jewish community of early-20th-century Vienna, he finally set about writing a novel in German after he retired from the University of Toronto. The resulting work, *Kahn & Engelmann*, was published by a small press in Vienna in 2000. It won good reviews and, a year later, was released in a mass-market paperback edition by Rowohlt, a large publisher, to strong sales.

Kahn & Engelmann follows three generations of a family much like Eichner's as they fall in love, quarrel, prosper and, eventually, face the awful reality of the Holocaust. But many of Eichner's Canadian friends, including his own adult children from an earlier marriage, couldn't read enough German to enjoy it. Stephen Henighan, a colleague of Grimstad's, was running the books-in-translation program at Biblioasis, a small Canadian literary press. With help from the Canada Council, Biblioasis arranged to produce an English language edition of *Kahn & Engelmann*.

The first critical notice was a rave, calling it an "astounding, ambitious work." Eichner, whose health had been failing for two years, saw the review and held an advanced reader's copy of the English translation. "He was really delighted with it," Henighan says.

On April 8, 2009, Hans Eichner died in his sleep. Three days later the first print run of *Kahn & Engelmann*, in its luminous new translation by Jean M. Snook, arrived from the printer. BY PAUL WELLS

Kari Grimstad will read from the book on May 27, as part of Toronto's Authors at Harbourfront Centre series.

KARI GRIMSTAD





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